

City & County of San Francisco | **CAPITAL PLAN** FY 2010–2019

D
REF
352.4979
C1724
2010/
2019



City and County of San Francisco

Capital Plan Fiscal Years 2010-2019

**Approved by
Mayor Gavin Newsom
&
the Board of Supervisors
April 7, 2009**

Copies of this document can be found at www.sfgov.org/cpp or through
The Capital Planning Program
City and County of San Francisco
30 Van Ness, Suite 4100
San Francisco, CA 94102
(415) 558-4003

GOVERNMENT
DOCUMENTS DEPT

JUN - 3 2009

SAN FRANCISCO
PUBLIC LIBRARY

Acknowledgements

Capital Planning Committee Members

Edwin Lee, City Administrator and Chair
Supervisor David Chiu, President, Board of Supervisors
Ben Rosenfield, Controller

Ed Reiskin, Director, Department of Public Works
Nani Coloretti, Mayor's Budget Director
Nathaniel Ford, Executive Director, Municipal Transportation Agency
Monique Moyer, Executive Director, Port of San Francisco
John Rahaim, Director, Planning Department
Ed Harrington, General Manager, Public Utilities Commission
Jared Blumenfeld, General Manager, Recreation and Parks Department
John Martin, Director, San Francisco International Airport

City & County of San Francisco Department Staff

Jackson Wong, Cindy Nichol, Julia Dawson, Bruce Robertson, Jim Cheng – Airport
Amy Brown, Ara Minasian – City Administrator's Office
Kenneth Roux – City Attorney

Nadia Sesay, Anthony Ababon, Ted Egan, Kurt Fuchs – Controller's Office
Gary Massetani, Michael Thompson, Tania Fokin – Fire
Luis Herrera, Jill Bourne, Maureen Singleton, Roberto Lombardi – Library
Greg Wagner, Gigi Whitley – Mayor's Office

Susan Mizner, John Paul Scott – Mayor's Office of Disability
Carter Rohan, Darton Ito, Frank Markowitz – Municipal Transportation Agency
Alicia John-Baptiste, Kirstin Dischinger – Planning
Kenneth Bukowski, Ivan Sequeira – Police
Tina Olson, Daley Dunham – Port

Gregg Sass, Kathy Jung, John Kanaley, Mark Primeau – Public Health

Todd Rydstrom, Harlan Kelly, Frank McPartland, Carlos Jacobo – Public Utilities Commission

Gary Hoy, Edgar Lopez, Ron Alameida, Lena Ch'en, Charles Higuera, Jim Buker, Douglas Legg, Simone Jacques, Fernando Cisneros, Rinaldi Wibowo, Tony Leung, John Thomas, Peter Wong, Ramon Kong – Public Works

John Updike, Taylor Emerson, Wennie Columna – Real Estate
Rhoda Parhams, Mary Hobson, Irene Aquino, Marvin Yee – Recreation & Parks
Jean Mariani, Kevin Lyons, Nichole Sparks – Sheriff

External Agencies

Anne Louise Rice, April Chan – Caltrain
Peter Goldstein, John Bilmont – SF Community College District
Jose Luis Moscovich, Maria Lombardo, Anna LaForte, Tilly Chang – SF County Transportation Authority
Douglas Shoemaker – Mayor's Office of Housing & Barbara Smith – SF Housing Authority
Myong Leigh, David Goldin – SF Unified School District

Prepared by

Edwin Lee, City Administrator
Brian Strong, Director, Capital Planning Program
Adam Van de Water, Assistant Director, Capital Planning Program
Fran Breeding, Senior Administrative Analyst, Capital Planning Program
Brian Benson, Business Analyst, Capital Planning Program



OFFICE OF THE
CITY ADMINISTRATOR

Gavin Newsom, Mayor
Edwin M. Lee, City Administrator

April 29, 2009

The Honorable Gavin Newsom
City and County of San Francisco
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

Honorable Members of the Board of Supervisors
City and County of San Francisco
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

Re: City and County of San Francisco Capital Plan FY 2010–FY 2019

Dear Mayor Newsom and Members of the Board of Supervisors:

The FY 2010-2019 Capital Plan recommends \$28 billion to improve the City's economy and infrastructure, including investments in core government services such as street resurfacing, public health and safety improvements, park and library repairs, and major capital work in the City's enterprise departments and partner agencies. These projects preserve and improve infrastructure as well as stimulate the local economy by creating more than 200,000 new construction-related jobs in San Francisco.

In the next few weeks, the Capital Planning Committee will begin its annual review of General Fund department capital budget requests, using the adopted Capital Plan as the framework. With a \$438 million projected shortfall for next year that could grow, it is important that policymakers have this document to turn to when making funding decisions.


The Plan addresses two areas of critical need by proposing ballot measures that address the condition of our streets and our ability to provide emergency services in the event of a major earthquake or disaster. The Safe Streets and Road Repair Bond will be on the November 2009 ballot followed shortly after by the Earthquake Safety and Emergency Response Bond in June 2010.

Additional copies of the FY 2010-2019 Capital Plan can be found at www.sfgov.org/cpp or by contacting the Capital Planning Program at (415) 558-4003.

Sincerely,

A handwritten signature in dark ink, appearing to read "Edwin M. Lee", written over a horizontal line.

Edwin M. Lee
City Administrator



Digitized by the Internet Archive
in 2017 with funding from
San Francisco Public Library

<https://archive.org/details/capitalplancityc2010sanf>

Table of Contents

1	Executive Summary	2
	A. Introduction	3
	B. General Fund Department Program Summary	9
	C. Enterprise Department & External Agencies Program Summary	18
	D. Capital Planning Initiatives & Next Steps	20
2	Public Safety	22
	A. Police, Fire, Sheriff, Juvenile Probation, and Emergency Management	23
	B. Financial Schedules	33
3	Health & Human Services	38
	A. Department of Public Health & Human Services Agency	41
	B. San Francisco Housing Authority	47
	C. Financial Schedules	51
4	Infrastructure & Streets	54
	A. Streets & Rights-of-Way	58
	B. Public Utilities Commission - Water Enterprise Facilities	65
	C. Public Utilities Commission - Wastewater Enterprise Facilities	73
	D. Public Utilities Commission - Hetch Hetchy Water & Power	78
	E. Financial Schedules	84
5	Transportation	90
	A. San Francisco Municipal Transportation Agency	93
	B. San Francisco International Airport	103
	C. Interagency Initiatives	110
	D. Financial Schedules	114
6	Recreation, Culture & Education	118
	A. Recreation and Parks System, Library, and Arts Commission	120
	B. San Francisco Unified School District	127
	C. Financial Schedules	131
7	Economic & Neighborhood Development	136
	A. Port of San Francisco	138
	B. Moscone Convention Center	146
	C. Redevelopment Project Areas	148
	D. Planning Department - Emerging Needs	151
	E. Financial Schedules	157
8	General Government	164
	A. Office and Support (General Services Agency)	165
	B. Financial Schedules	170
9	Appendix	172
	A. Administrative Code Section 3.20	173
	B. Job Creation Estimate Methodology	175
	C. Funding Principles	177
	D. Methodology, Assumptions & Terms	178





Section 1 | Executive Summary

A.	Introduction	3
B.	General Fund Department Program Summary	9
C.	Enterprise Department & External Agencies Program Summary	18
D.	Capital Planning Initiatives & Next Steps	20

I. Executive Summary

1. Introduction

In this time of increasing unemployment and unprecedented budget shortfalls, the City and County of San Francisco's Proposed Capital Plan FY 2010-2019 (the Plan) strives to continue the City's commitment to improve its infrastructure and stimulate the local economy by recommending \$17.5 billion in investments. Together with \$10.5 billion from closely related external agencies, this totals almost \$28.0 billion in capital improvements and creates as many as 201,000 jobs for San Francisco residents over the next ten years. These improvements address critical needs for core government services such as streets, parks, libraries, public health and public safety; major capital work at the Airport, Port, Municipal Transportation Agency, and Public Utilities Commission; and infrastructure projects like the replacement of Doyle Drive, the Transbay Terminal, redevelopment of Mission Bay, Bayview Hunter's Point and Treasure Island, and repairs to public schools.

This fourth addition of the Plan presents a new format for how the City and County of San Francisco (the City) reviews and expends capital funds. In previous years, the Plan was split into two major department categories based on their primary source of revenue: General Fund (GF) and Enterprise Departments. While these categories remain useful, they do not put into perspective larger policy implications and the interdepartmental cooperation required for the efficient and effective delivery of services. Also new this year is the inclusion of sophisticated econometric modeling which estimates the impact capital investments have on the local economy. These estimates include the number of San Francisco jobs created by each capital project which are shown in the summary table below and in financial schedules at the end of each chapter. Specific information on the job estimation model can be found in Appendix B.

Capital Plan Summary by Department Type
(Dollars in Millions)

	GF	Enterprise	External	Total	<i>SF Jobs Created</i>
Public Safety	1,372			1,372	9,878
Health & Human Services	1,027		80	1,107	7,972
Infrastructure & Streets	870	6,082	1,019	7,971	57,388
Transportation		6,597	4,020	10,617	76,442
Recreation, Culture & Education	601		1,044	1,645	11,844
Economic & Neighborhood Development	127	650	4,355	5,132	36,952
General Government	138			138	993
Total	\$4,135	\$13,329	\$10,517	\$27,982	201,470

The summary table above shows a GF investment of \$4.1 billion for core government services that people expect the City to provide, including the rebuild of San Francisco General Hospital, upgrades to library and park facilities, replacement of the Hall of Justice, repairs to the high-pressure fire hydrant system, repaving of streets, and removal of barriers to accessibility. In addition to the GF investments, the Plan recommends \$13.3 billion in Enterprise department

projects to continue major transit and water projects such as the Central Subway, Airport Terminal 2, Wastewater Master Plan and the Water System Improvement Program (WSIP).

The previous table also shows \$10.5 billion in capital improvements by agencies closely related to the City and County of San Francisco but governed by an external body. These are primarily for major economic development and transportation projects, including the redevelopment of Bayview Hunter's Point (\$3.3 billion), the Transbay Terminal (\$1.9 billion), Caltrain (\$1.7 billion), Doyle Drive and Bus Rapid Transit (\$1.3 billion), the redevelopment of Treasure & Yerba Buena Islands, the Unified School District (\$1.0 billion), and the Housing Authority (\$80 million).

The table below shows capital investments in five-year intervals. Similar to previous years, two-thirds of capital spending (\$18.4 billion in total investments and \$11.4 billion in City and County of San Francisco investments) occurs in the first half of the Plan. This is a testament to the large level of infrastructure improvements taking place across the city.

The City appropriated nearly \$1.9 billion for the WSIP project in FY 2008-2009. This and other appropriations account for slightly lower levels of investments compared to last year's Plan.

Capital Plan Summary in Five-year Intervals

(Dollars in Millions)

	FY 2010 - FY 2014	FY 2015 - FY 2019	Total	SF Jobs Created
Public Safety	1,042	330	1,372	9,878
Health and Human Services	952	155	1,107	7,972
Infrastructure & Streets	5,743	2,228	7,971	57,388
Recreation, Culture & Education	1,474	171	1,645	11,844
Economic & Neighborhood Development	2,669	2,463	5,132	36,952
Transportation	6,466	4,151	10,617	76,442
General Government	66	72	138	993
Total	\$18,411	\$9,570	\$27,982	201,470
General Fund Departments	3,119	1,016	4,135	29,773
Enterprise Departments	8,314	5,016	13,329	95,971
CCSF Subtotal	\$11,433	\$6,031	17,464	125,744
External Agencies	6,978	3,539	10,517	75,726

Accomplishments in FY 2008-2009

Despite one of the worst budget deficits in recent history, the City invested more than \$181 million in capital projects for General Fund departments in FY 2008-2009. However, this did come with some sacrifices. The City rededicated capital dollars previously set aside for pre-bond planning (Capital Planning Funds) to fund annual capital budget requests and leveraged gas tax revenues to maintain recent progress on street resurfacing and right-of-way projects.

In many ways, FY 2008-2009 was a record year. Following on the heels of passage of the Clean and Safe Neighborhood Parks Bond in February 2008, voters passed the largest ballot measure in City history when they approved the rebuild of San Francisco General Hospital by the widest margin in over twenty years. Approved by 84 percent of voters in November 2008, Proposition A will rebuild the acute care wing of the hospital and ensure that it is operational after a major earthquake—a project that has been the top priority of the Plan since its inception three years ago and will provide a much-needed economic stimulus to the San Francisco economy.

California voters also approved Proposition 1A, the \$9.95 billion High Speed Rail bond which will impact the City's delivery of the Transbay Terminal project as well as the electrification of the Caltrain line from San Francisco to Gilroy. Approval of this Proposition was particularly well-timed as it helped position California at the front of the line for the \$8 billion allocated for high speed rail in the federal stimulus package, the American Recovery and Reinvestment Act.

San Francisco's Ten-Year Capital Plan Governance Structure

In August 2005, concerns from city leaders, citizens, Mayor Newsom and the Board of Supervisors culminated in Administrative Code Sections 3.20 and 3.21 requiring the City to annually develop and adopt a ten-year constrained capital expenditure plan for city-owned facilities and infrastructure. The code ensures the Plan's relevance by requiring that all capital expenditures be reviewed in light of the adopted capital expenditure plan.

The Capital Planning Committee (CPC) approves the Capital Plan and makes recommendations to the Board of Supervisors on all of the City's capital expenditures. It consists of the City Administrator as chair, the President of the Board of Supervisors, the Mayor's Finance Director, the Controller, the City Planning Director, the Director of Public Works, the Airport Director, the Executive Director of the Municipal Transportation Agency, the General Manager of the Public Utilities System, the General Manager of the Recreation and Parks Department, and the Executive Director of the Port of San Francisco. The mission of the Capital Planning Committee is to review the proposed capital expenditure plan and to monitor the City's ongoing compliance with the final adopted capital plan.

A copy of Administrative Code Section 3.20 and 3.21 is in the appendix of this report. It can also be found along with additional information on the Capital Planning Committee and program at www.sfgov.org/cpp.

Other accomplishments related to capital planning over the previous year include the following:

- Creation of a Road Repair and Safety Improvements G.O. Bond to address critical street repaving and right-of-way needs in November 2009
- Development of an Earthquake Safety and Emergency Response G.O. Bond that consolidates the former Fire Protection System, Earthquake Safety, Criminal Justice Facility bonds and other emergency response capital needs into a June 2010 G.O. bond. These projects are rolled into a program with new bond measures going before the voters every six years.

- Pavement of 360 City blocks and installation of nearly 1,000 curb ramps
- Approval of the Environmental Impact Report for the Doyle Drive replacement project
- Opening of the nationally recognized California Academy of Sciences and its receipt of a LEED Platinum certification
- Opening of several newly renovated library and recreation centers such as Noe Valley, Portola, Richmond, and Western Addition branch libraries; Coffman and Sava pools; Crocker Amazon and South Sunset playfields; Upper Noe Valley, Minnie and Lovie Ward, and Moscone recreation centers
- Approval of the Market/Octavia and Eastern Neighborhoods Area plans that will bring needed infrastructure to these high-growth areas
- Appropriation of over \$3 billion in the past two years to begin construction of the Water System Improvement Project (WSIP)
- Approval of the Environmental Impact Report of the Wastewater Master Plan
- Establishment of a public-private partnership and a Tourism Improvement District to provide capital improvements to the Moscone Convention Center

The SFPUC's Commission approved the \$3.1 billion Wastewater Master Plan in February 2009.

Changes in the FY 2010-2019 Capital Plan

An advantage to annual updates of the Plan is that they provide the opportunity for refinements based on changing conditions and better information. Significant changes this year include:

- Reorganization of the chapters into more logical categories based on the type of city service delivered rather than the underlying, and often hidden to the public, funding source
- Formal adoption of prioritized funding principles (see Challenges and Opportunities section of this chapter)
- Inclusion of customized modeling for San Francisco that estimates the local economic impact of each capital investment.
- Restructuring of the debt program based on the passage of the San Francisco General Hospital and Clean and Safe Neighborhood Parks bonds, the insights of public opinion research, and more detailed analysis of the current condition of our streets and right-of-way assets and upcoming public safety needs (see General Fund Debt section of this chapter)

- Inclusion of the Civic Center Sustainable Resource District (see chapter IV on Infrastructure and Streets), the Moscone Center Tourism Improvement District, and nearly 1,400 acres of city redevelopment projects in Mission Bay, Treasure Island and Bayview Hunter's Point (see chapter VII on Economic & Neighborhood Development)
- Emerging needs from emergency response and disaster preparedness efforts (see chapter II on Public Safety)
- Refinements to project cost estimates throughout the Plan, including Doyle Drive (see chapter V on Transportation and throughout the document)

Challenges & Opportunities Facing the City's Capital Program

In addition to the accomplishments and changes listed above, the City faces two key challenges to its ability to improve physical assets going forward. These include:

- Continued commitments to investing in capital infrastructure despite looming state and local budget deficits
- Public confidence, awareness, and support of the Capital Plan, the remaining proposed bonds, and the City's ability to preserve its infrastructure and deliver high quality capital projects

Addressing this first challenge requires increasing creativity and strategic thinking. A revenue shortfall of \$127 million for FY 2008-2009 required mid-year reductions to the capital budget of more than \$13 million in current year capital spending plus an additional \$27 million in previously approved capital investments. The projected budget shortfall for FY 2009-2010 has soared to \$438 million.

The City is investigating all avenues to address these reductions within the capital budget, including the following: analyzing the local economic impact of capital spending, fast-tracking projects eligible for funding from the the American Recovery and Reinvestment Act, leveraging the value of City-owned assets as a debt-financing vehicle, forming public-private partnerships such as the Moscone Tourist Improvement District, preparing projects for voter consideration at the ballot, and working hard to secure grants and federal funds from the \$789 billion American Recovery and Reinvestment Act

To address the challenge of improving public confidence, awareness, and support of the Capital Plan, the City has improved its cost estimation and project delivery methods and continues its commitment to pre-ballot planning investments in major

The Plan's commitment to identifying capital priorities and improving interdepartmental coordination have been vital to placing the City in a strong position to receive stimulus dollars from the federal government.

capital projects financed with General Obligation (G.O.) bonds. These investments, made prior to a bond measure's placement on the ballot, increase the accuracy of cost projections; reduce delays associated with conceptual design, permit approvals, and environmental clearances; and improve the City's ability to deliver projects on time and on budget.

The City is also taking steps to better understand public priorities and improve accountability in the capital program. Public opinion research was recently conducted to test assumptions in the Plan, gauge support for various bond measures, and identify citywide capital priorities. This research provides valuable information on how the City should proceed prior to making large investments. It also informs the City on the public's awareness of capital planning efforts and priorities with respect to the type and level of capital investment they would like the City to pursue.

Other accountability measures include the formal adoption of five funding principles to guide the approval of requests and provide additional transparency with respect to why certain projects are chosen over others. The principles are summarized in the table on the opposite page. Appendix C restates the principles along with measurement criteria for each priority.

City and County of San Francisco Capital Funding Principles	
Priority 1	Improvement is necessary to comply with a federal, state, or local legal mandate The City faces a wide range of directives to improve its facilities, some with significant consequences for failure to perform.
Priority 2	Provides for the imminent life, health, safety and security of occupants and the public or prevents the loss of use of the asset Capital projects that minimize physical danger to those who use and work in City facilities, including protection during seismic events and exposure to hazardous materials.
Priority 3	Ensures timely maintenance and renewal of existing infrastructure It is imperative to maintain the City's infrastructure. However, the lack of maintenance at some facilities will have a greater effect on the asset's value and/or future repair and replacement costs.

City and County of San Francisco Capital Funding Principles

Priority 4	<p>Supports formal programs or objectives of an adopted plan or action by the Board or Mayor</p> <p>Capital investments should be integrated with adopted departmental and citywide long-term goals and objectives.</p>
Priority 5	<p>Enhances the City's economic vitality by stimulating the local economy, increasing revenue, improving government effectiveness, or reducing operating costs</p> <p>Some projects have a direct or indirect effect on the City's revenues or expenditures. Cost savings or revenue enhancements may help offset the cost to the City of some capital investments.</p>

Information on the Citizens General Obligation Bond Oversight Committee can be found at: www.sfgov.org/site/controller_index.asp?id=5846.

In addition to these principles, both the parks and hospital bonds approved last year were the first to include funding for independent audits by the Citizen's General Obligation Bond Oversight Committee and were developed with unprecedented levels of community involvement and project transparency.

Finally, long-term planning efforts such as this Plan provide City decision-makers with better information on the City's capital assets and provide them with an opportunity to be more strategic about their maintenance, expansion, and planned replacement. This is especially important given the current volatility in capital markets and the impact that has had on government funding. Both the City and the State are projecting record budget shortfalls at the same time the federal government is poised to make the most significant investment in public infrastructure in over half a century. This Plan, therefore, aims to provide decision makers with the information they need to both better understand the impact of potential cuts to investments in city facilities and infrastructure as well as plan for possibly significant investments in them.

The remainder of the Executive Summary is split into the following sections:

- Overview of General Fund and Enterprise department capital investments (Sections B and C, respectively); and
- Capital planning initiatives and what to expect in the FY 2011-2020 Capital Plan that will be presented next year (section D).

2. General Fund Department Program Summary

The Plan proposes investments of \$4.1 billion to meet critical renewal and enhancement needs for General Fund facilities and infrastructure. The table on the following page shows funded and deferred capital projects for General Fund departments over the next ten years. This list is not exhaustive. At the end of most chapters, projects requiring additional review are noted in the Emerging Needs section.

General Fund Department Program Summary

(Dollars in Millions)

<u>STATE-OF-GOOD REPAIR RENEWAL INVESTMENTS</u>		Funded	Deferred/ Emerging
Today's Backlogs			
Facilities			213
Streets			483
Other right-of-way assets			29
	Subtotal		725
Projected for Next Ten Years			
Facilities		516	472
Streets		487	30
Other right-of-way assets		180	51
	Subtotal	1,183	553
Subtotal, Renewals		1,183	1,277
<u>CAPITAL IMPROVEMENT INVESTMENTS</u>		Funded	Deferred/ Emerging
Earthquake & Public Safety Improvements			
San Francisco General Hospital Rebuild		755	
SFGH Emergency Generator Replacement		23	
Crime Lab / Medical Examiner Relocation		216	
AWSS (Core Infrastructure & Pipeline Improvements)		186	
Fire & Police Station Renewals & Improvements		146	
Mission Bay Fire station		18	
SFPD Headquarters Relocation		186	
Fire Boat Headquarters		10	
HOJ County Jails 1 & 2 Replacement		437	
HOJ Traffic Division Relocation		30	
Veterans Building seismic upgrade		130	
Seismic Bracing of Corporate Yards & 101 Grove			227
LHH & SFGH seismic bracing of remaining facilities			435
Seismic upgrades & renovations of unreinforced masonry buildings			53
Less Capital Planning Fund reimbursements		(7)	
	Subtotal	2,130	716
Disability Access Improvements			
Facilities		16	
Curb Ramps		76	
	Subtotal	93	0
Parks & Open Space Improvements			
Systemwide Parks improvements		292	
Marina Yacht Harbor Renovation		29	
Better Streets Plan & Great Streets Program		72	239
	Subtotal	392	239
Other Improvements			
Branch Library Improvement Program		10	
Data Center relocation		13	
Youth Guidance Center facility replacement		100	69
HOJ Local Agencies & SFPD Investigations Unit			431
Sheriff's Regional Training Facility			72
Other projects		214	1,131
	Subtotal	337	1,703
Subtotal, Enhancements		2,952	2,658
PLAN TOTAL		4,135	3,936

General Fund Program Highlights

Funded projects on the General Fund Summary table on the previous page are based on available resources and prioritized according to the funding principles discussed earlier in the Executive Summary. The FY 2010-2019 Capital Plan addresses the following infrastructure needs:

- **Investments in renewal needs for facilities and streets.** Overall investment levels in the maintenance and renewal of facilities and rights-of-way increase gradually over the life of the Plan. Totalling \$1.2 billion in both GF and non-GF sources, the proposed renewal investments capture 63 percent of the need in year one and 84 percent in year ten of the Plan. While year ten represents improvement over year one, by not fully funding annual needs, the Plan defers approximately \$508 million in additional renewal needs. Furthermore, these investments do not address existing backlogs for facilities, streets, and right-of-way assets totaling \$714 million.
- **Earthquake and Public Safety Improvements at Critical Facilities.** The Plan heavily prioritizes seismic and other public safety projects that ensure city facilities are seismically safe and operable after an emergency. These investments total nearly \$2.1 billion. The highest priorities are the replacement of County Jail 1 and 2 in the Hall of Justice and the projects included in the June 2010 Earthquake Safety and Emergency Response G.O. bond.
- **Disability Access Improvements.** Accessibility of City facilities for the disabled is a key priority in the Plan. The FY 2008-2009 capital budget appropriated more than \$4 million for accessibility improvements at facilities citywide and more than \$5 million for curb ramp improvements. The Plan recommends \$16 million in General Fund investments through FY 2013 for the Americans with Disabilities Act (ADA) facility transition plan. Strong investments in curb ramps continue at \$76 million over the next ten years.
- **Parks and Open Space Improvements.** This year's Plan proposes approximately \$292 million in system wide work – funded predominantly with bond issuances from the 2008 Clean & Safe Neighborhood Parks bond and another \$150 million G.O. bond proposed in November 2014.
- **Other Improvements.** Near-term commitments include the Data Center relocation, demolition of County Jail 3, and significant repairs to Islais Creek Bridge. Additional projects in the second five years of the Plan include consolidating the Family Court Services building at the Youth Guidance Center.
- **Branch Library Improvement Program (BLIP).** Approved by voters in November 2007, Proposition F allows the Library to issue lease revenue bonds against the Library Preservation Fund. The Plan proposes a \$10 million lease revenue bond to complete the BLIP.

A. General Fund Renewal Investments – Pay-as-you-go Program

The Plan proposes to fund pay-as-you-go or ongoing, annual investment needs with General Fund dollars. These are typically smaller investments necessary for maintaining facilities and infrastructure in a state of good repair. Totalling \$1.1 billion, the annual investment needs from the General Fund during the next ten years are summarized in the following table.

General Fund Pay-as-you-go Program Needs (Dollars in Millions)			
	FY 10-14	FY 15-19	Plan Total
Routine Maintenance	77	99	176
ADA Transition Plan	16	0	16
Critical Deferred Maintenance	31	37	68
Curb Ramps	5	30	35
Streets and Rights-of-Way	30	81	111
Facility Renewal	275	414	689
TOTAL	435	660	1,095

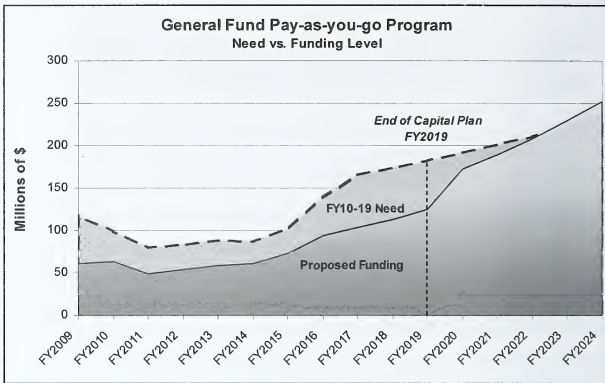
Funding for renewal from the annual General Fund Pay-as-you-go program is allocated proportionate to need, with the exception of the Routine Maintenance, ADA Transition Plan, Critical Deferred Maintenance and Curb Ramps categories, which are fully funded. Within the Facility Renewal category, funding is distributed based on overall need including current backlogs. Within the Streets and Rights-of-Way category, funding is distributed based on overall need, not including current backlogs for each program.

The Plan assumes General Fund pay-as-you-go investments of \$63 million in FY 2009-2010, growing ten percent each year – five percent real growth and five percent escalation. Some of the General Fund pay-as-you-go program needs have been shifted to the long-term debt program. These include renewals for Police and Fire and facilities as well as critical needs for streets and right-of-way assets. If successful, the two Earthquake Safety and Emergency Response and the Road Repair and Safety Improvements G.O. bonds will address these needs. This will allow the City to realize significant General Fund savings while maintaining its annual commitment to capital investments. The table below describes these General Fund commitment changes.

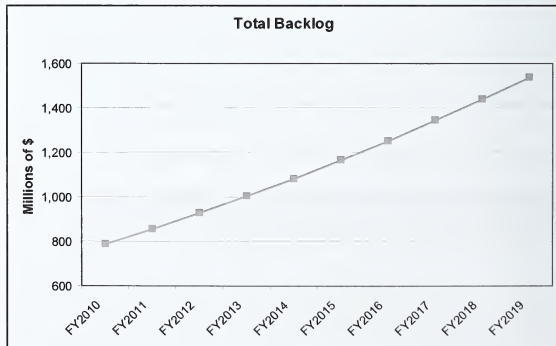
General Fund Commitment	FY10	FY11	FY12	FY13	FY14	FY15-FY19	TOTAL
Original	67	73	81	89	97	654	1061
Shift to Non-GF	(4)	(24)	(27)	(31)	(36)	(145)	(268)
Revised	63	49	54	58	61	509	793

If the proposed Earthquake Safety & Emergency Response and Road Repair & Safety Improvements G.O. bonds are not successful, General Fund revenues will be allocated to these needs.

The previous two plans and the Proposed FY 2010-2019 Capital Plan follow the policy of continually increasing pay-as-you-go investments every year to better maintain or renew the City's infrastructure. Underinvestment in this area accelerates the aging of city facilities and roads, reduces the ability to provide services, and creates repair or replacement needs that could be avoided.



The above graph shows annual pay-as-you-go needs versus proposed funding levels: the two lines intersect in FY 2023. Despite the fact that these planning targets are some of the highest proposed cash investments in modern City history, they fall short of projected need. Taking into account escalation, the existing backlog and future deferred work grows to more than \$1.5 billion, as depicted by the following chart.



B. Debt Financing Program

Most of the capital improvement investments or enhancement projects outlined in the General Fund Summary Table on page 8 are funded with voter-approved G.O. bonds or General Fund obligations: lease revenue bonds and certificates of participation (C.O.P.s). Debt financing is an appropriate means of paying for these improvements given their long useful lives and the fact that their project costs exceed the ability to utilize cash or pay-as-you-go revenue sources. The use of debt also serves to spread out the financial burden of paying for facilities between current and future generations that will both receive its benefits.

In 2009 the Capital Planning Committee (CPC) approved the following financial constraints with respect to the use of debt:

When issued, G.O. bonds proposed by this Plan will not increase voters' long-term property tax rates above FY 2006 levels. In other words, new G.O. bonds will only be used as a funding source when existing approved and issued debt is retired and/or the property tax base grows.

The City will maintain the percentage of the General Fund spent on debt service at 3.25 percent of discretionary revenues. Stated differently, these financing instruments will only be used when existing issues of debt are retired and/or the City's General Fund grows.

As the City repays debt and other obligations issued over the last 15 years (i.e., to improve branch libraries, the Academy of Sciences, regional and neighborhood parks, Laguna Honda Hospital, the Zoo, the Moscone West convention center, and the Asian Art Museum) and assessed valuations of taxable property and General Fund revenues increase, the City can issue over \$1 billion in new debt and other long-term obligations without violating these two financial constraints. This is shown graphically on pages 14 and 16 below.

A major change of this Plan is the restructuring of the debt program within these two financial constraints. Now that voters have approved the San Francisco General Hospital bond, the top priority of the Plan is the phased replacement of the seismically deficient Hall of Justice. Originally conceived as one massive building project beginning in 2010, the Hall of Justice is really comprised of a series of construction projects with different schedules and different strategic needs.

The following table outlines the revised strategy, beginning with the Road Repair and Safety Improvements bond this fall. Other bond proposals include improvements for

G.O. bonds require approval from at least 2/3rd of voters at the ballot, lease revenue bonds require only simple majority approval, and C.O.P.s are authorized by resolution of the Board of Supervisors and then validated by the Superior Court. For more information, see the approved Debt Policy at the City's Office of Public Finance.

The FY 2006 Property Tax Rate was approved by the Board of Supervisors as a part of the FY 2007-2016 Capital Plan on June 20, 2006.

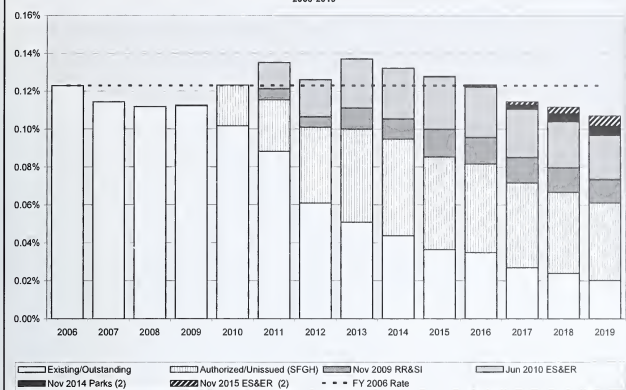
earthquake safety and emergency response and parks on a regularly scheduled six-year cycle. The Veteran's Building and the replacement of the old jails at the Hall of Justice will be funded with GF debt. These costs are estimates and may need to be adjusted in future plans to account for program changes, site acquisition, alternate delivery methods, and/or changing rates of construction cost escalation.

Debt Program	
(Dollars in Millions)	
<i>Month/Yr Proposed Debt Program</i>	<i>Total</i>
<i>Remaining Authorized & Unissued (SFGH, Clean & Safe)</i>	873
Nov 2009 Road Repair & Safety Improvements	309
Jun 2010 Earthquake Safety & Emergency Response (1)	580
Nov 2014 Park System Renovation & Improvement (2)	150
Nov 2015 Earthquake Safety & Emergency Response (2)	210
G.O. Bond Subtotal	2,122
<i>Remaining Authorized & Unissued</i>	
<i>(BLIP, Gas Tax, Moscone, Data Center, SFGH Generator)</i>	108
FY 2010 Replacement of Jails #1 and #2 at the HOJ	437
FY 2011 Veterans Building Seismic Improvement	130
GF Debt Subtotal	675
FY 2015 Park System Renovation & Improvement	25
Other General Fund Debt	25
Debt Program Total	\$2,821

General Obligation Bond Debt

General Obligation (G.O.) bond proposals in California require two-thirds voter approval: a difficult threshold that limits municipalities' ability to construct large capital projects. However in 2008, after eight years without an approved City bond proposal, voters approved the first two G.O. bonds proposed by the Plan – the \$185 million Clean and Safe Neighborhood Parks bond and the \$887.4 million San Francisco General Hospital Rebuild bond. The following chart illustrates the impact on the local tax rate of existing, recently approved, and proposed G.O. bond debt.

**Projected Property Tax Rates for Issued & Proposed General Obligation Bonds
2006-2019**



The downward sloping white bars represent the local property tax rate resulting from the gradual repayment of previously approved G.O. bonds such as the Neighborhood Parks, Academy of Sciences, and Branch Library bonds of 2000 and the Clean and Safe Neighborhood Parks bond in 2008. The white-patterned bars represent the impact of the recently approved hospital bond and the dark gray and black bars represent the tax rate impact of the four remaining bonds proposed by the Plan.

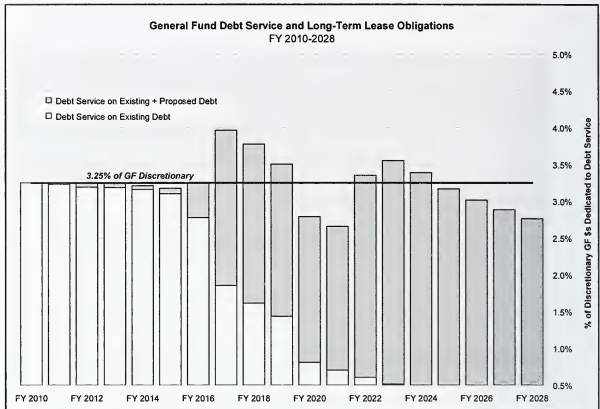
Certificates of Participation & Lease Revenue Bonds

Unlike G.O. bonds, lease revenue bonds and C.O.P.s are typically repaid out of the City's General Fund (GF) or revenue that would otherwise flow to the GF. The City utilizes lease revenue bonds and certificates of participation to leverage GF receipts (such as fees and charges) to finance capital projects and acquisitions, many of which provide direct revenue benefit or cost savings. Debt service payments for lease revenue bonds and C.O.P.s are typically paid from revenues of the related project or fees, taxes or surcharges imposed by users of the project.

The debt service costs of existing and proposed C.O.P.s and lease revenue bonds are illustrated in the following chart. The white bars represent the debt service commitments for previously issued revenue bonds, including the San Bruno jail, the City office buildings in the Civic Center, and the construction of Moscone West Convention Center. New obligations are represented by the dark gray bars and include the replacement of old Jails #1 and #2 at the Hall of Justice (an addition to this year's

Plan) and the renovation and seismic bracing of the Veterans Building. The City is continuing to mitigate the impact of those years that exceed the 3.25 percent cap by exploring the sale of Transferable Development Rights, phasing construction contracts to match available funds, and prepaying or deferring existing debt service payments.

Pursuant to State law, the City may not pay debt service on Certificates of Participation until a certificate of occupancy is issued for the building. For Jails #1 and #2 at the Hall of Justice, this is not expected until FY 2017 even though design is scheduled to commence in FY 2010.



C. Deferred Projects and Emerging Needs

While the recommended General Fund program meets some critical needs over the coming decade, a significant gap exists between facility and infrastructure needs and the proposed \$4.1 billion funding level. Addressing these needs will require difficult choices for policymakers in coming years. These deferred needs total approximately \$4.0 billion.

Eighteen percent, or \$725 million, of the deferred projects are from underinvestment in the City's facilities and infrastructure during the past several decades. Highlights of deferred and emerging needs are discussed below. Project-specific information is available in each chapter.

(a) State of good repair renewal needs in facilities (\$685 million).

Almost 70 percent of this total (\$472 million) is the deferral of future needs beyond the ten-year planning period. While the Plan proposes to reduce the deferral of this work, it does not address existing backlogs of \$213 million. Future plans will determine funding strategies for meeting this need.

(b) Renewal needs for the City's streets and rights-of-way assets (\$593 million). Approximately 86 percent of repair needs in this category exist today due to historic underinvestment. However, the proposed Road Repair and Safety Improvements G.O. bond investments will dramatically reduce the deferral of future work.

(c) Major improvement projects and emerging capital needs (\$2.7 billion). Revisions to the proposed debt program increased the total of deferred enhancements. While a few of these projects are seismic upgrades of city facilities, many are emerging needs that require more analysis.

3. Enterprise Department & External Agencies Program Summary

Unlike most of the General Fund departments, many of these departments have dedicated systems and staff to develop capital plans. The following programs and estimated costs were compiled by Enterprise department and external agency staff with the guidance of their boards and commissions.

Capital investments for Enterprise departments during the next ten years are approximately \$13.3 billion. This is down about 11 percent from last year's \$15 billion, largely due to FY 2008-2009 expenditures on the SFPUC's Water System Improvement Program. More than 80 percent of the \$10.5 billion for external agencies is for transportation and economic development investments at Treasure Island and Hunter's Point Shipyard.

- **Transportation.** The plan proposes \$10.6 billion in transportation investments. Key projects within this category are listed below.
 - **San Francisco International Airport.** Proposed airfield and terminal improvements comprise almost two-thirds of the Airport's \$1.5 billion in capital investments. Projects include a new control tower, reconstructing various airfield areas and airport runways, and renovating Terminal 2 Boarding Area D.
 - **San Francisco Municipal Transportation Agency (SFMTA).** Over the next ten years, the plan proposes \$5.1 billion in transportation investments for SFMTA. More than half of this total is for infrastructure investments, including Central Subway.
 - **Interagency Initiatives.** Slightly more than half of the proposed \$3.6 billion for interagency and regional projects is for the replacement of the Transbay Terminal at First and Mission Streets downtown.

- **Economic Development.** The plan proposes \$5.3 billion for Enterprise departments and external agencies in this category, with key projects highlighted below.
 - **Port of San Francisco.** The largest component of the Port's plan is the rehabilitation and redevelopment of the Pier 70 area, with needs totaling approximately \$500 million.
 - **Redevelopment Projects.** About 1,400 acres at Treasure Island and in Mission Bay and Hunter's Point are slated for redevelopment during the next ten years. Investments over the next ten years total \$4.4 billion, which does not include for Mission Bay.
 - **Planning Department.** The department is currently developing four neighborhood plans addressing the specific urban design, open space, transportation, housing, and community facility goals of these neighborhoods: Rincon Hill, Market & Octavia, Balboa Park, and Eastern Neighborhoods. Almost half of the \$259 million in proposed projects is for the Market & Octavia Area Plan.
- **Infrastructure & Streets.** Investments for Enterprise departments and external agencies in this category total \$7.1 billion. The major projects for each department are highlighted below.
 - **San Francisco Public Utilities Commission (SFPUC).** Investments in the SFPUC's infrastructure and facilities total \$6.0 billion. More than \$3.0 billion (58 percent) is for the Wastewater Enterprise, including the Wastewater Master Plan, which was approved by the Commission in February 2009.
 - **San Francisco County Transportation Authority.** The Plan includes more than \$1.0 billion in funding for the Doyle Drive Replacement Project, which is expected to be complete in spring of 2014. The SFCTA Board of Commissioners approved the Environmental Impact Statement in December 2008, marking the end of the environmental phase and the beginning of final design.
- **Recreation, Culture & Education – San Francisco Unified School District.** Funding for improvements to the City's school facilities total more than \$1.0 billion. The SFUSD is proposing two G.O. bonds for systemwide improvements in November 2011 and November 2013.
- **Health & Human Services – San Francisco Housing Authority.** Of the \$80 million in total investments for public housing facilities, all of it goes toward renewal needs and is funded by the U.S. Department of Housing and Urban Development.

4. Capital Planning Initiatives & Next Steps

Program improvements made since the FY 2009-2018 Capital Plan update as well as shortcomings to address in next year's capital plan update include the following:

- **Principles for funding prioritization.** In conjunction with approving the Plan, the Capital Planning Committee adopted a set of five high-level funding principles to prioritize capital projects in both the Capital Plan and annual capital budget. While basic criteria were developed two years ago, the funding principles in Appendix B are the first to be formally approved by the Committee. As such, they will be used as a basic guideline by staff when determining the relative priority of capital projects.
- **Job creation numbers.** The Capital Planning Program (CPP), in conjunction with the Controller's Office of Economic Analysis, the Airport, the Public Utilities Commission, and the Department of Public Works, reviewed models for predicting the number of jobs generated by construction projects and recommended use of the REMI Policy Insight model across the City. The Capital Planning Committee approved this recommendation and the publication of the jobs created in San Francisco in the Plan.
- **Public opinion research.** The Capital Planning Program (CPP) conducted a second phase of public opinion research in the fall of 2008 to better understand voter concerns about the Hall of Justice and support for a broader potential public safety bond measure. The telephone survey and focus group have helped guide discussions about how the City can fund the replacement of the Hall of Justice in the coming fiscal years.
- **Public outreach effort.** This third update to the inaugural Capital Plan is organized by service delivery area rather than funding source. This is an intentional effort to more transparently communicate the City's capital priorities and the first of several efforts to widen the audience and readership of the Capital Plan. In 2009, the CPP will be exploring avenues outside of this lengthy document, potentially including inserts in property tax mailers, website enhancements, and/or postcards or high-level summaries targeted at specific constituencies.
- **Capital Planning and Reporting Database.** In November 2007 the CPP implemented a centralized, web-based database for capital planning, budgeting, and reporting on General Fund capital projects. The new Capital Planning and Reporting database (CPRd) replaces an inconsistent and decentralized process managed through spreadsheets on individual desktops. With over 500 active capital projects currently loaded into the system, CPRd will help both to plan for new infrastructure needs and provide a single, standardized means for tracking them from initial conception, through financing to construction and project completion.

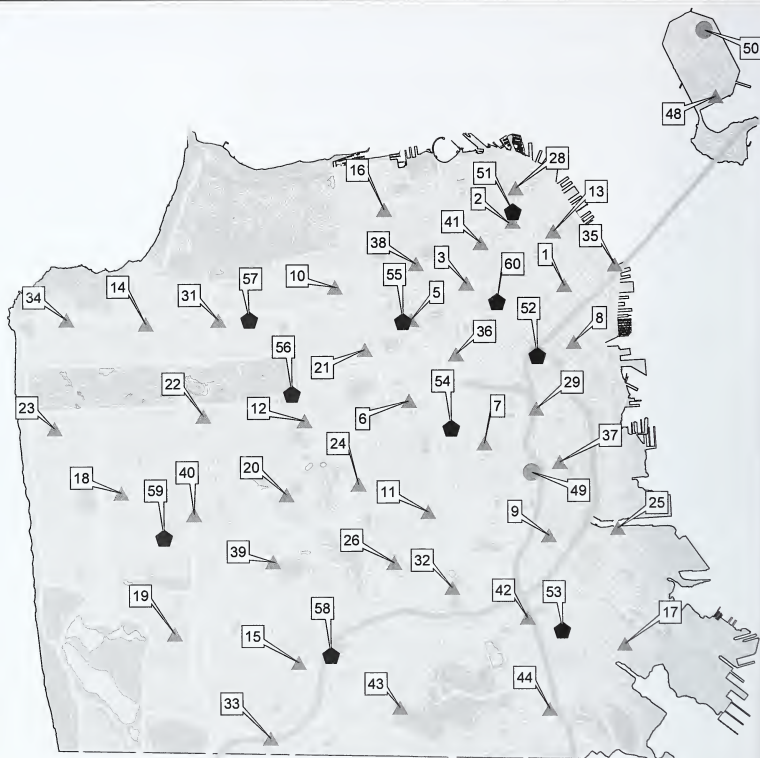
- **Asset management database.** Now that significant renewal investments are being made, it is important to track actual expenditures with the forecasts made by FRRM. Various General Fund departments including the Real Estate Division, Library, and DPW are moving forward with similar systems. The rollout of these databases will help link capital planning and budgeting with ongoing maintenance and operations.
- **Interagency planning.** New legislation in late 2008 tasked the CPC with implementing the capital projects resulting from the Planning Department's better neighborhood area plans. One example is legislation recently approved by the Board of Supervisors requiring the CPC to appoint an Eastern Neighborhood Finance Workgroup to prepare a report on funding options to close some of the capital gaps identified in the Eastern Neighborhood Area Plan. While an extension of the CPC's existing mission, responding to this mandate and future capital efforts from the area plans will require additional resources to manage and advance.



Section 2 | Public Safety

A.	Renewal Program	26
B.	Enhancement Program	27
C.	Deferred Projects & Emerging Needs	29
D.	Financial Schedules	33

I. Public Safety



Legend

- ▲ Fire Department
- ◆ Police
- Sheriff

Public Safety

The City is responsible for the operation and maintenance of 42 fire stations, ten police district stations, five adult jails, 23 courtrooms in four locations, a juvenile detention facility and administrative offices, and a juvenile ranch facility.

Number	Name
1-48	Fire Stations (Numbered to 48 for historical reasons)
49	SF General Hospital Jail Ward
50	Treasure Island Jail
51	Central Police Station
52	Hall of Justice: <ul style="list-style-type: none">• Southern Police Station and Police HQ• Medical Examiner• County Jails 1 and 2• Other Local Justice Agencies
53	Bayview Police Station
54	Mission Police Station
55	Northern Police Station
56	Park Police Station
57	Richmond Police Station
58	Ingleside Police Station
59	Taraval Police Station
60	Tenderloin Police Station

Highlights and Accomplishments

Many of the City's largest capital improvements over the past 15 years have been to public safety facilities. These include improvements to nearly all of the City's fire stations, police stations and their associated facilities; the replacement of the juvenile detention facility and San Bruno Jail #3, the development of a modern Emergency Communications Center, and more recently fully functioning back-up 911 center. Even with these investments, the infrastructure needs in the public safety area amount to approximately \$2.47 billion. This represents about 30 percent of the City's overall General Fund capital need.

To address these needs the Plan recommends \$1.37 billion in public safety facilities investments. These includes repairs and seismic improvements to the Auxiliary Water Supply System (AWSS), renovation and renewal work on several fire and police stations, the creation of a new fire and police station in Mission Bay, the relocation of the Police Department Headquarters and Medical Examiner out of the Hall of Justice (HOJ), and building a new jail to replace the one that sits on the top two floors of the HOJ.

The vast majority of public safety investments are to replace the antiquated and seismically deficient HOJ and core AWSS facilities. Extensive research on these critical projects was conducted by the Capital Planning Committee and the Department of Public Works over the past two years to determine the type and amount of improvements required and the best approach to securing funds that would enable construction to begin right away. As a result, the ten-year year capital plan proposes two Earthquake Safety and Emergency Response G.O. bonds and a General Fund backed revenue bond to replace the existing HOJ jail. More detail on the bonds can be found in sections 2 and 3 below.

Finally, the City is working diligently to improve its ability to respond to and recover from a disaster beyond the large capital projects discussed in the previous paragraph. Since the amount of these improvements is under study, they are listed along with other public safety emerging needs in section 5.

New to this year's capital plan is a list of projects to make the City more resilient to an earthquake or natural disaster.

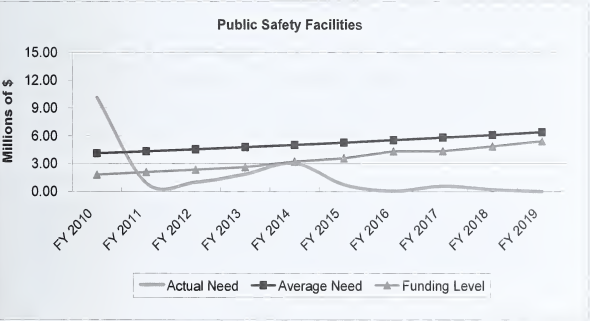
1. Renewal Program

The City's Facility Resource Renewal Model estimates that Public Safety facilities will need \$119 million in renewal funds over the ten-year plan cycle to maintain their current condition. Increases in renewal needs for Sheriff's Department facilities are primarily the reason for the 33 percent increase from last year.

Given funding constraints, the plan allocates \$35 million in General Fund dollars to meet these needs. The plan proposes approximately \$103 million from G.O. bonds for renewals at fire and police stations. The General Fund allocation covers almost 60 percent of the needs for the Police Department through FY 2015, the Sheriff's Department and Juvenile Probation.



Failed boiler at Fire Station 38
replaced in FY 2007-2008



The renewal need is the 10-year average of the Renewal Curve. The Renewal Curve line on the graph above shows the gap between annual renewal need and funding shrinking from \$2.3 million in 2010 to \$1.0 million in 2019. The plan proposes funding most renewals at police and fire stations through two G.O. bonds – one in FY 2011 and another in FY 2016. The renewal investments funded through the G.O. bonds are not reflected in the renewal curve.

2. Enhancement Program (FY2010 – FY2014)

Of the \$1.4 billion in total investments, \$993 million (72 percent) is for enhancements during the first five years of the plan, most of which will be funded through the proposed June 2010 Earthquake Safety & Emergency Response G.O. bond and the replacement of the HOJ jail.

Additional information on the AWSS Core Facilities and Justice Facility Improvement Program for the Police HQ, Medical Examiner/ Crime Lab, and replacement of County Jails 1 & 2 can be found at: http://www.sfgov.org/site/cpp_page.asp?id=92851.

- **June 2010 Earthquake Safety and Emergency Response General Obligation Bond.** One of the biggest changes in this year's capital plan is the introduction of a phased capital program to enhance earthquake safety and emergency response systems to protect life safety and assure prompt recovery of the City's economy after major earthquakes. The first phase of this program combines the Fire Protection System Earthquake Safety G.O. Bond, portions of the Criminal Justice Earthquake Safety G.O. Bond, and the relocation of the Medical Examiner and Crime Lab into one G.O. bond totaling \$580 million.

This new bond program provides a focused, consistent, and cost effective framework for addressing the City's earthquake risks. The first phase of the bond program frees up General Fund dollars for the replacement of County Jails 1 and 2 at HOJ using General Fund debt. The components of the first phase of the Earthquake Safety and Emergency Response G.O. Bond are outlined below.

Earthquake Safety & Emergency Response G.O. Bond (Dollars in millions)	
Auxiliary Water Supply System (AWSS) Core Facilities	\$116
Fire Department Station Seismic Upgrades & Renewals	44
New Fire Station & Relocation of Southern Police Station from HOJ to Mission Bay	51
Relocation of Police HQ out of the HOJ	153
Medical Examiner out of HOJ and Co-location with Crime Lab	216
TOTAL	\$580

- **FY 2010 Hall of Justice (HOJ) County Jails 1 and 2 Replacement.** Addressing a critical health and safety issue facing the City, this project proposes issuing \$435 million in Certificates of Participation (COPs) to construct a new jail. A large earthquake would likely require approximately 800 prisoners and staff who currently work in these two jails to evacuate the building, putting them and the general public at risk. While plans to safely evacuate the jail are in place, the costs to temporarily house the prisoners until a new facility is built or the old one is repaired are likely to be in the hundreds of millions of dollars.

The preferred location would be a site adjacent to the current HOJ and the criminal courts. While planning efforts to identify the best site and develop conceptual design documents have already begun, they will be further developed to obtain environmental clearances. Detailed design would begin in FY 2012, and construction, in FY 2014.



Drawing showing potential location for new HOJ jail

- **HOJ Interim Repair Program.** While certain elements of the HOJ will be relocated in the first five years of the plan, funds are needed to address ongoing building deficiencies and enable improvements to the District Attorney, Adult Probation and other divisions that will remain in the building for several years. The plan proposes \$2 million for this effort.
- **Central District Station Interim Improvements.** This police station located under a parking garage on Vallejo Street continues to operate in a very cramped and seismically deficient building. While plans to relocate the facility have not been made, the capital plan provides \$4.1 million to address some of the facility's current critical inadequacies, including construction of separate locker and shower facilities for female officers.
- **County Jail 3 Demolition.** Settlement revenues from the construction of the new jail at San Bruno are slated to go toward the demolition and removal of hazardous materials at the old jail facility. In addition to this work, a few smaller projects in the original scope of the new jail that were deferred pending resolution of the lawsuit will be completed. The total project cost is \$10.5 million.

3. Enhancement Program (FY2015 – FY2019)

Of the \$1.4 billion in total public safety investments, \$235 million (17 percent) is for enhancements proposed during the second five years of the plan. The majority of this total is funded by the proposed November 2015 Earthquake Safety & Emergency Response G.O. bond.

- \$210 million November 2015 Earthquake Safety and Emergency Response General Obligation Bond to address the AWSS pipeline network, fire and police stations renewals and upgrades, and relocate the Police Department Traffic Division out of the HOJ.
- \$100 million in State funding to consolidate Family Court Services and replace administration buildings at the Youth Guidance Center Campus in FY 2015.

4. Deferred Projects

As discussed in the introduction to this chapter, capital needs for public safety continue to outpace the level of investment the City is able to provide. As a result, several critical enhancements are deferred from the capital plan due to the limited availability of funds.

- **HOJ Replacement, Local Justice Agencies & SFPD Investigations Bureau.**

The plan envisions the replacement of the seismically deficient HOJ with a state-funded Court building. This will require relocating the local justice agencies and the SFPD's investigations facility into office buildings near the HOJ. Although funds for this project are not available in the next ten years, the relocation of the Police Department Headquarters, jail, and Traffic Division opens up space in the current building to address overcrowding. It is expected that these needs will be addressed as funding becomes available.

- **Relocation of the SFPD's Central District Station.**

The plan defers a proposed relocation of the district station from its current location, located under a public parking facility on Vallejo Avenue. The facility, constructed in 1972, is the only district station not upgraded in the 1998 police facility improvement bond program. The estimated cost to construct a new facility at the end of the 10-year plan is \$117 million.

- **Old Potrero Police Station.**

Located at Tennessee and 3rd, this unoccupied former police station is an unreinforced masonry building at risk of collapse. The estimated cost to convert this facility into a fire station or similar type of facility is \$23.4 million.

- **Log Cabin Ranch Cottages Construction.**

Deferred from the plan is a Juvenile Probation Department (JPD) proposal to build several "cottages" to replace its existing dorm facility estimated at \$30.5 million. The project follows a model developed in Missouri that recognizes detention facilities that focus on rehabilitative and therapeutic programming using a small group setting. JPD is currently developing a master plan for Log Cabin Ranch that will further refine the capital needs of this program.

- **Youth Guidance Center Administrative Building Replacement.**

Built in 1950, this facility houses administration functions for the Juvenile Probation Department. To bring it into compliance with current codes, seismic upgrades, accessibility improvements, significant exterior repairs to the deteriorating wood-frame, and other critical repairs are necessary. It will likely be less costly to replace the building, which is estimated to cost \$69 million.

- **Police Training Academy Expansion and Renovation.** Other police departments in the region send their recruits to train at San Francisco's Academy. However, the Academy does not have enough space to accommodate required training programs and may cause San Francisco to lose its Regional certification. An expansion of the space is estimated to cost almost \$18 million.
- **Old Fire Station 16 Renovation.** Given other priorities, all investments at this inactive station are deferred from the ten-year planning horizon. Work required to reopen this station is estimated to cost \$8.2 million.
- **Old Fire Station 21 Replacement.** The plan proposes to defer from the ten-year planning horizon all investments at this inactive station. Work required to reopen this station is estimated at \$37.6 million.
- **Relocation of the Fire Department's Ambulance Deployment Center.** Given funding constraints, the plan defers the relocation of this facility, which is estimated to cost \$11.7 million.
- **1415 Evans Seismic Retrofit.** The plan proposes to defer investments in this warehouse which stores all of the Fire Department's emergency supplies. Seismically retrofitting this facility is estimated to cost \$6.7 million.

5. Emerging Needs to Be Updated in Future Plans

The need or amount of capital investment required to meet the following emerging needs are not funded in this year's plan, but will be reviewed in the subsequent year's capital plan as additional planning is completed and uncertainty around project-specific issues are resolved.

- **Relocation of the Criminal Courts at the HOJ.** The courts located in the HOJ face the same overcrowding and seismic concerns as City departments housed in the same building. The plan to replace these facilities relies on the availability of funds from the State administered through the California Administrative Office of the Court. Due to demand for these funds across the State, San Francisco is not expected to receive money for the criminal court within the next ten years.
- **Log Cabin Ranch Master Plan Implementation.** A residential treatment facility for juvenile delinquents, the Log Cabin Ranch campus was built almost 50 years ago and is in need of major repairs and renovations. Currently, it only houses a small number of juveniles and is underutilized. The Juvenile Probation Department is exploring options for how to better use Log Cabin Ranch and developing a master plan to address future growth, treatment options, facility requirements, and funding

opportunities.

- **Hunters Point Fire Station.** Future development of the Hunters Point Shipyard may require the construction of a new fire station for the area at an estimated cost of \$36 million. The current Navy-owned station lacks separate dormitory facilities for men and women and is not in compliance with ADA standards. The City will monitor both the schedule and extent of development at the shipyard to determine the need in coming years and will update future plans accordingly.
- **Fire Department Training Facility Relocation.** Economic constraints and uncertain timing of the development of Treasure Island has led to no proposed funding for the modernization and relocation of the Fire Department's training facilities. This project would replace the Fire Department's current training facilities at 19th and Folsom and Treasure Island with a new combined facility that includes training classrooms, apparatus storage, a vehicular training field, drill tower, live fire simulators, a fireboat dock, and separate showers/locker facilities. This project will likely be required given future development of Treasure Island, which may fall outside of the ten-year plan cycle. The total current estimated cost of this project is approximately \$135 million.
- **Citywide Emergency Response and Disaster Preparedness Efforts.** The National Preparedness Goal defines preparedness as "the range of deliberate, critical tasks and activities necessary to build, sustain, and improve the operational capability to prevent, protect against, respond to, and recover from domestic incidents." An emergency management program is in place to coordinate the City's preparedness efforts.

The Hazard Mitigation Plan is one of five plans that will replace the 2005 Emergency Operation Plan. For more information on this effort contact the Department of Emergency Management at www.sfo.gov/oes.

According to the Working Group on California Earthquake Probabilities (WGCEP), there is a 62 percent chance that a major earthquake will strike along one of the seven fault systems near San Francisco during the next 25 years. In anticipation, San Francisco has evaluated mitigation, response, and recovery methodologies from recent disasters throughout the world to incorporate best practices and lessons learned. Events such as Hurricane Katrina, the Southeast Asia tsunami, and the China earthquake have provided guidance and insight for San Francisco's disaster planning efforts. This includes the recent update to the City's Public Safety Element and draft Hazard Mitigation Plan (HMP) released in September 2008. Some of the capital projects associated with these mitigation actions are listed below.

- **AWSS Core Facilities & Pipelines** Seismic Retrofit
- **Street Structure Repairs & Islais Creek Bridge** Seismic Retrofit

- **Data Center Relocation**
- **Veterans Building** Seismic Retrofit
- **Major Utility Lines** Seismic Retrofit including the mitigation of the land surrounding them (e.g. slope stabilization, vegetation management) to ensure proper functioning before, during, and after a disaster.
- **Stormwater System Upgrades** are also proposed to reduce ponding and localized flooding.
- **Treasure Island** capital improvements including geotechnical stabilization measures, seismic upgrades to the Treasure Island Causeway and construction of ring levees around the drainage pump houses critical to flood control.

In addition to the above needs identified through the HMP, the following capital needs are recommended through other emergency planning efforts.

- **Seismic Retrofit of Department Operations Centers (DOCs).** DOCs are used to coordinate response and recovery efforts during an emergency, including maintaining internal operations and to contribute to a citywide response.

According to a recent seismic assessment, approximately five of the 20 DOCs are housed in seismically unsafe buildings. In collaboration with other departments, DEM is assessing the cost of retrofitting these facilities to meet minimum seismic standards. DOCs also need access to utilities and communications systems, which are critical lifelines.

- **Emergency Staging Site Upgrades.** A staging area is where equipment, supplies and other resources are positioned for use during a disaster or emergency. Candlestick Park and the Alemany Farmer's Market are the primary and secondary staging sites, respectively due to the large capacity of these facilities. To be fully functional, however, both require significant capital improvements.
- **Warehousing/Storing Emergency Supplies.** Space is needed to store supplies not only during an emergency, but also in preparation for an emergency. A lack of storage space prevents the City from stocking the proper quantities of needed supplies. This will prove problematic if San Francisco is cut off from outlying areas after a disaster.

Public Safety

	FY2010	FY2011	FY2012	FY2013	FY2014	FY 2015- FY 2019	PLAN TOTAL	BACKLOG
State of good repair renewal - Need	9,472	9,946	10,443	10,965	11,514	63,620	119,141	25,806
<u>SPENDING PLAN</u>								<u>DEFERRED</u>
State of good repair renewal - Proposed Uses	2,525	35,298	2,535	2,770	3,231	95,643	142,002	21,363
ADA Transition Plan Improvements		469	767	851			2,077	
Enhancements	450,590	542,602				234,628	1,227,820	1,070,491
TOTAL	453,115	578,369	3,292	3,621	3,231	330,271	1,371,899	1,091,854
<u>REVENUES</u>								
Local	587,103	5,683	440,084				1,271,912	
Federal	452,756	578,369	3,292	3,621	3,231	230,643		
State							99,628	
TOTAL	452,756	578,369	3,292	3,621	3,231	330,271	1,371,540	
<i>Total San Francisco Jobs/Year*</i>	3,260	4,164	24	26	23	2,378	9,675	

*This is the equivalent of job years, which are defined as one year of full-time work (e.g. Three people employed for five years = 15 job years).

Departmental Breakdown

Fire Department

Program / Project	FY2010	FY2011	FY2012	FY2013	FY2014	FY 2015- FY 2019	PLAN TOTAL	BACKLOG
State of good repair renewal - Need	5,032	5,283	5,547	5,825	6,116	33,795	55,482	
<i>SPENDING PLAN</i>								<i>DEFERRED</i>
Fire Station Renewals & Improvements	359	44,000				50,000	94,359	
ADA Transition Plan Improvements								
Auxiliary Water Supply System Core Facilities		104,629					104,629	
Auxiliary Water Supply System Pipeline Improvements						80,000	80,000	
Fire Boat Headquarters - Phase II		9,871					9,871	
New Mission Bay Fire Station		18,000					18,000	
SFFD Training Facility Relocation and Expansion								135,455
Old Fire Station 21 Replacement								37,589
New Hunters Point Fire Station								35,558
Ambulance Deployment Center Relocation								11,673
Old Station 16 Renovation								8,177
1415 Evans Seismic Retrofit								6,734
TOTAL	359	176,500				130,000	306,859	235,186

REVENUES

Local - General Fund						130,000	308,000	
Local - GO Bond		178,000					(1,500)	
Local - Capital Planning Fund		(1,500)					306,500	
TOTAL		176,500				130,000	306,500	
Total San Francisco Jobs/Year	1,271					936	2,207	

Juvenile Probation Department

Program / Project	FY2010	FY2011	FY2012	FY2013	FY2014	FY 2015- FY 2019	PLAN TOTAL	BACKLOG
State of good repair renewal - Need	737	773	812	853	895	5,194	8,121	22,046
<u>SPENDING PLAN</u>								
State of good repair renewal - Proposed Uses	737	773	812	853	895	5,194	8,121	
ADA Transition Plan Improvements								
Youth Guidance Center/Administrative Building Replacement								69,297
Family Court Services Consolidation at YGC Campus						99,628	99,628	
Log Cabin Ranch Cottages Construction Project								30,563
Hidden Valley Ranch Reactivation								74,499
TOTAL	737	773	812	853	895	104,822	107,749	174,359

DEFERRED

REVENUES

Local - General Fund	737	773	812	853	895	5,194	8,121	
State						99,628	99,628	
TOTAL	737	773	812	853	895	104,822	107,749	
Total San Francisco Jobs/Year	5	6	6	6	6	755	776	

Police Department

Program / Project	FY2010	FY2011	FY2012	FY2013	FY2014	FY 2015- FY 2019	PLAN TOTAL	BACKLOG
State of good repair renewal - Need	633	664	697	732	769	4,249	6,975	3,000
<i>SPENDING PLAN</i>								<i>DEFERRED</i>
Police Station Renewals & Improvements	212	212	240	267	325	50,363	51,619	
ADA Transition Plan Improvements			280				280	
Crime Lab and HOJ Medical Examiner Relocation		214,191					214,191	
HOJ SFPD Headquarters Relocation		181,811					181,811	
HOJ Traffic Division Relocation						30,000	30,000	
HOJ Interim Improvement Program	1,000	1,000					2,000	
HOJ Local Agencies & SFPD Investigations Unit*								431,000
SFPD Central District Station Interim Improvements	2,000	2,100					4,100	
SFPD Central District Station Replacement								117,161
SFPD Training Academy Expansion and Renovation								17,594
Old Polero Police Station Renovation								23,357
TOTAL	3,212	399,314	520	267	325	80,363	484,001	589,112

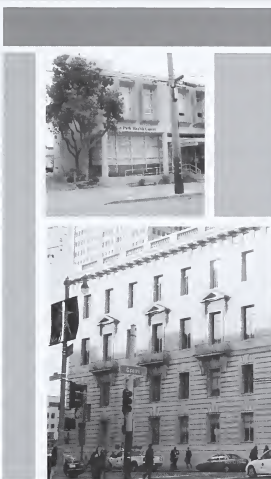
REVENUES

Local - General Fund	3,212	3,312	520	267	325	363	7,999	
Local - GO Bond		402,000				80,000	482,000	
Local - Capital Planning Fund		(5,998)					(5,998)	
TOTAL	3,212	399,314	520	267	325	80,363	484,001	
Total San Francisco Jobs/Year	23	2,875	4	2	2	579	3,485	

*Local Agencies include Adult Probation and the District Attorney.

Sheriff's Department

Program / Project	FY2010	FY2011	FY2012	FY2013	FY2014	FY 2015- FY 2019	PLAN TOTAL	BACKLOG
State of good repair renewal - Need	3,071	3,225	3,386	3,556	3,733	20,629	33,868	444
SPENDING PLAN								
State of good repair renewal - Proposed Uses	1,308	1,313	1,483	1,651	2,010	15,085	19,090	21,363
ADA Transition Plan Improvements		469	478	851			1,797	
HOJ County Jails 1 & 2 Replacement	437,000						437,000	
County Jail 3 Demolition	10,500						10,500	
Sheriff's Department Regional Training Facility								71,834
TOTAL	448,808	1,781	1,960	2,502	2,010	15,085	468,388	93,197
REVENUES								
Local - General Fund	1,308	1,781	1,960	2,502	2,010	15,085	20,888	
Local - General Fund Debt	437,000						437,000	
Local - Other Sources	10,500						10,500	
TOTAL	448,808	1,781	1,960	2,502	2,010	15,085	468,388	
Total San Francisco Jobs/Year	3,231	13	14	18	14	109	3,372	



Section 3 | Health & Human Services

A.	Department of Public Health & Human Services Agency	41
B.	San Francisco Housing Authority	47
C.	Financial Schedules	51

III. Health & Human Services

The Department of Public Health (DPH) and the Human Services Agency (HSA) operate a broad range of facilities that provide direct public health and safety net services to city residents. DPH manages two major medical campuses – the San Francisco General Hospital campus and the Laguna Honda campus – which together house 24 facilities. Additionally, the department operates ten city-owned primary care health clinics located throughout the city. HSA manages eight facilities: three homeless shelters, three children's resource centers, and two administrative buildings. Both departments also provide programs at a number of leased properties.

The San Francisco Housing Authority (SFHA) provides housing for very low-income families, senior citizens and persons with disabilities at 46 sites with more than 6,500. Five of the 46 sites were recently rebuilt with 1,149 new mixed income apartments. The oldest housing authority in California, SFHA opened in 1940 and has many obsolete developments in need of major capital improvements.

Highlights and Accomplishments

In November 2008, 84.3 percent of voters approved Proposition A to rebuild San Francisco General Hospital (SFGH). During the last 50 years, only two other general obligation bonds have received a higher level of support. The City invested \$27.7 million in pre-ballot planning for the SFGH Rebuild to fully develop program needs and costs. Accomplishments during the last year include completion of schematic design, certification of the Environmental Impact Review (EIR), and the approval of contracts for the Architectural/Engineering (A/E) team and Construction Manager/General Contractor (CM/GC). In December 2008 the Board of Supervisors approved the first bond sale totaling \$136 million. Activities during the next year include completion of design development drawings, mobilization on the site by the CM/GC, establishment of new utilities, and implementation of required EIR Mitigation Measures.



SFGH Rebuild Conceptual Drawing

The plan proposes fully funding the SFGH Emergency Generator Replacement Project through a lease purchase financing agreement backed by savings in energy costs and a grant from the Federal Emergency Management Association.

The Primary Care Center Modernization Program, totaling approximately \$15 million, is 80 percent complete. Aside from accessibility improvements at selected sites, no additional investments are required for the completion of this program.

The SFHA has either completed or initiated more than \$51 million in renewals and accessibility improvements during the last five years. Some of these renewals include exterior waterproofing and painting; replacing roofs, sewers, boilers, fire safety systems; and reconstruction of decks and stairs.

A. Health & Human Services – Department of Public Health & Human Services Agency



Health & Human Services – Department of Public Health & Human Services Agency

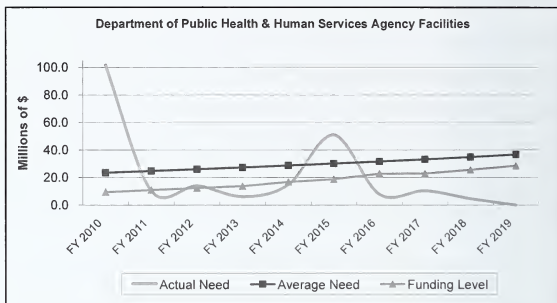
The table below shows the facilities operated and maintained by the Department of Public Health (DPH) and the Human Services Agency (HSA), which provide direct public health and safety net services to city residents. Leased facilities where the City is responsible for building maintenance are also included in this chapter.

Map ID	Facility	Map ID	Facility
1	Health Center Four	16	Health Center Three
2	Maxine Hall Health Center	17	Southeast Ambulatory Health Center
3	N. of Market Senior Service Center	18	Alemay Emergency Hospital and Treatment Ctr
4	DPH Central Office (DOC)	19	HSA Children's and Family Health Center
5	Tom Wadell Center	20	HSA CalWorks Offices
6	1360 Mission Street	21	HSA Polk Street Homeless Center
7	San Francisco City Clinic	22	HSA 850 Broderick Street
8	Health Center Five	23	HSA Family & Children's Services Court Office
9	Health Center One	24	ETS-50 Van Ness Ave.
10	Sunset Mental Health	25	HSA 5th Street Homeless Center
11	Laguna Honda Hospital Campus	26	HSA PAES Success Center
12	598 Portola Drive	27, 31	HSA 150 and 170 Otis Street
13	Community Health Network Headquarters	28	HSA FCS Foster Care
14	Caleb Clark Potrero Hill Health Center	29	HSA-Mother Theresa Dinning Hall
15	San Francisco General Hospital Campus	30	HSA-CalWORKs – 1800 Oakdale

Although the City has made substantial capital investments in health and human services facilities, significant capital needs remain due to the size and complexity of these facilities. The Plan proposes investments totaling \$1.1 billion to address these needs.

1. Renewal Program

The facility renewal model projects a cost of \$297 million over the next ten years to keep public health and human services facilities in a state of good repair. This is a 12 percent increase from the need reported in the FY 2009-2018 Capital Plan. The increase is primarily a result of standard fluctuations in renewal need. DPH facilities account for 79 percent of the total renewal need.



Given funding constraints, the plan allocates \$181 million to these needs. Approximately 80 percent of the total renewal investment is for DPH facilities. Since needs exceed available funding, both DPH and HSA facilities will accrue \$156 million in deferred maintenance in addition to the existing backlog by the end of the plan.

The recent completion of a modernization program in most of the public clinics results in fairly low renewal costs for these facilities. This is not the case for several buildings at the SFGH and LHH campuses, and the Human Services Agency administrative buildings, all of which have significant renewal needs.

- **Renewal or state of good repair investments at SFGH.** SFGH campus facilities account for about 80 percent of DPH's total need. Buildings with more than \$5 million in backlog and renewal costs include Buildings 1, 5, 10, 20, 30, 80, 100, and Pathology Building 3. With a 10-year average annual renewal need of \$11.8 million

– totaling \$148 million over the course of the plan – the current hospital (Building 5) is the most expensive facility.

- **Renewal investments at Laguna Honda Hospital.** Renewal investments will be needed at the LHH campus since existing plans assume the reuse of Main Hospital Buildings A, B, C, and H after the current occupants move to the new buildings. These four buildings account for 12 percent of DPH's total average annual renewal costs.

Since Clarendon Hall and the Main Hospital Buildings D, E, F, G, L, and O (and potentially Buildings K and M) are scheduled for demolition in 2009 and 2010, investments in these buildings will be limited to life and safety issues.

- **Renewal investments at HSA facilities.** The average annual renewal need for HSA facilities is approximately \$4.9 million. Two facilities account for 81 percent of HSA's total need: 170 Otis (59 percent) and 1235 Mission (22 percent).

2. Enhancement Program (FY2010 – FY2014)

All of the \$835 million in enhancements for health and human services facilities is for projects during the first five years of the plan. These are highlighted below.

- **SFGH Rebuild.** State law requires all acute care hospitals to meet upgraded seismic safety standards by either retrofitting existing buildings or building a new hospital. The projected completion date for the Rebuild is 2015. Four bond issuances are scheduled through FY 2013 totaling \$755 million.
- **SFGH Emergency Generator Replacement Project.** Additional improvements required at the SFGH campus include replacement of the emergency generator, estimated at \$23 million. Replacing the existing emergency generators servicing the main campus will result in energy savings and a more reliable emergency power source. With funding received in FY 2008, DPH worked with an engineering firm to conduct a more thorough needs analysis and prepare a conceptual design. Nearly all of the project will be funded through lease purchase financing, which was approved by the Board of Supervisors in December 2008. The City has also applied for a \$1 million grant through the Federal Emergency Management Agency.
- **SFGH Helipad.** The plan proposes to build a helipad on the roof of the existing SFGH Hospital (Building 5), enabling SFGH to accept critical trauma patients by air. The SFGH Foundation will fund the project, estimated at \$7.9 million.
- **Laguna Honda Hospital Replacement Program.** In 1999 San Francisco voters approved a G.O. Bond to replace the existing hospital building to provide a clinical



*View toward main entrance
of new hospital*

As of February 2009, the LHH Replacement Program is 76 percent complete.

and operational link between the new and old buildings. The new hospital consists of three buildings: the South Residence, the Link Building and the East Residence Building. Construction for the replacement program, which also includes associated site improvements, began in July 2005.

The anticipated completion date for the site work, the South Residence Building, and the Link Building is October 2009, while the East Residence Building should be complete by December 2009. Occupancy of the new buildings is expected in early 2010. The remodel of the existing building began in July 2007 and will be complete in June 2011. The total project cost at completion is projected to be \$593.9 million.

3. Enhancement Program (FY2015 – FY2019)

There are no investments proposed during the second five years of the plan. Although previous capital plans have recommended the seismic upgrade and renovation of the DPH administrative building at 101 Grove Street, proposed changes to the debt program require the deferral of this project.

4. Deferred Projects

The proposed ten-year capital plan defers the following investments for health and human services facilities. Previous plans have included renovations to HSA's 150 Otis as deferred projects. However, plans are in place to transform this building into affordable housing, and its capital needs will be addressed through this effort.



101 Grove Lobby

- **DPH Administration Building Seismic Bracing.** The changes in the debt program discussed in the Executive Summary require the deferral of this project and several others. To continue with this project as assumed in previous capital plans, one of the two key assumptions of the debt program would have to change: either the property tax rate used to repay issued G.O. bonds or the percentage of General Fund spent on debt would have to increase.

- **Remaining SFGH Campus Seismic Upgrade.** The plan defers any seismic and life safety cost investments for Buildings 1, 9, 10, 20, 30, 40, 80, 90, and 100. These nine buildings cover approximately 490,000 square feet, and the seismic upgrade of these facilities is estimated at \$399 million.

DPH is in the process of completing a comprehensive master plan of capital needs through 2022. This report will be published in the first quarter of 2009.

- **LHH Seismic Upgrade.** Funding constraints and the already significant investment in Laguna Honda Hospital have led to the deferral of this project. Buildings A, B, and C, which serve as the Department Operations Center (DOC) for Laguna Honda in the event of a major emergency, have a Seismic Hazard Rating (SHR) of 3. These facilities house Hospital Administration, Accounting, Personnel, MIS, and other divisions that provide critical functions and essential services to both the hospital and the City in the event of an emergency. The project cost – estimated at \$36.2 million – will be reviewed in subsequent plans.
- **170 Otis Seismic Upgrade.** Another proposed seismic upgrade for HSA at 170 Otis is deferred in the ten-year plan. The cost for this project is estimated at \$92 million.

5. Emerging Needs

The need or amount of capital investment required to meet the following emerging needs are not funded in this year's plan but will be reviewed in the subsequent year's capital plan as additional planning and uncertainty around project-specific issues are resolved.

- **SFGH Data Center Relocation.** Currently located at the SFGH Medical Center, the data center needs to be relocated to mitigate the risk of damage or loss from overhead sewage and steam pipes. Upgrades will also be necessary to support the data needs for the new hospital. DPH is exploring potential funding options, including grants and funding from the SFGH Foundation. Future capital plans will provide more information about this project.
- **LHH Facility Master Plan.** To coordinate with the City's Capital Plan, DPH proposes to develop a master plan of capital needs at all LHH facilities over the next ten years. The FY 2008-2009 Capital Budget appropriated funding to initiate this process.

B. Health & Human Services – San Francisco Housing Authority



12/23/08

SFHA SITES

HOPE VI SITES

TARGET SITES

B. Health & Human Services – San Francisco Housing Authority

Nearly all of SFHA's funding is from the U.S. Department of Housing and Urban Development (HUD) and rents paid by residents. Residents pay approximately 30 percent of their income for rent. SFHA facilities are listed below.

Map ID	Facility	Map ID	Facility
1	Holly Courts	24	350 Ellis Street
2	Potrero Terrace	25	3850 18 th Street
3	Sunnydale	26	462 Duboce Street
4	Valencia Gardens (Rebuilt)	27	101-103 Lundy's Lane
5	Bernal Dwellings (Rebuilt)	28	320-330 Clementina
6	Westside Courts	29	666 Ellis Street
7	Westbrook Apartments	30	1760 Bush Street
8	Potrero Annex	31	1880 Pine Street
9	North Beach (Rebuilt)	32	4101 Noriega Street
10	Ping Yuen	33	220 Randolph Street
11	Alemaný	34	363 Noe Street
12	Hunters Point A	35	2206-2268 Great HWY & 2215-2263 48 th Ave.
13	Yerba Buena Plaza (Rebuilt)	36	2698 California Street
14	Hunters View	37	25 Sanchez
15	Alice Griffith	38	345 Arguello
16	Rosa Parks	39	491 31 st Avenue
17	Ping Yuen North	40	1750 McAllister
18	Hayes Valley	41	939 Eddy Street
19	J.F. Kennedy Towers	42	951 Eddy Street
20	Mission Dolores	43	430 Turk Street
21	Woodside Gardens	44	Joan San Jule Apartments
22	990 Pacific	45	Robert B. Pitts
23	227 Bay Street	46	Sunnydale/Velasco



*North Beach Place Hope VI
Revitalization*

The SFHA has transformed five public housing sites and the lives of 1,149 public housing and low income San Franciscans by replacing poorly designed obsolete high-rise and barracks-style buildings with new apartments and the addition of affordable housing. The total cost to rebuild these sites was \$305 million, with \$118.5 million funded through federal HOPE VI grants and \$186 million from leveraged public and private financing. Funding also includes replacement and operating reserves for ongoing improvements and operations.

The HUD Capital Fund Program (CFP) is the primary source of funding for renewals and renovation of the SFHA's aging public housing stock. During the last 16 years, funding for renovation, security, resident services and deferred maintenance has been reduced to 58 percent of the 1991 allocation of almost \$24 million. Meanwhile, construction costs have doubled, limiting what can be accomplished with each CFP dollar. Continued underinvestment and the aging of facilities have compounded SFHA's needs – the existing backlog of deferred maintenance is now approximately \$309 million.

In response to the situation facing public housing, Mayor Newsom and the Board of Supervisors have agreed that the City and County of San Francisco will invest \$95 million to launch an aggressive first phase of HOPE SF. This is an initiative to rebuild the city's most distressed public housing sites into vibrant, mixed-income communities and repair other existing public housing.

1. Renewal Program



Hunters View Family Public Housing

The SFHA is allocating limited funding: (1) to ensure that the most distressed developments remain safe, functional without extraordinarily high maintenance costs, and available for occupancy until they are rebuilt; (2) to address urgent building and site problems as they are identified; (3) to maintain the long term viability of the fundamentally sound developments; and (4) to improve the energy efficiency of Authority properties in conjunction with Energy Services Contracting.

In April 2007 the Housing Authority completed a comprehensive assessment of all of its sites that shows an annual renewal and maintenance need of \$18 million, totaling \$226 million over ten years, assuming continued reuse of all current facilities and annual escalation of five percent.

SFHA anticipates an annual allocation of \$8 million from HUD CFP for renewal needs. Since need exceeds available funding, an additional \$184 million in renewal needs are deferred from the plan. HUD funding also does not address the existing \$309 million backlog.

2. Enhancement Program (FY2010 – FY2014)

Although there are eight additional obsolete public housing sites identified for enhancement or revitalization, the SFHA does not anticipate more federal HOPE VI funding. Furthermore, the \$8 million renewal allocation from HUD CFP provides less than five percent of the resources needed to fix the backlog at the remaining 38 sites. To address this, SFHA has partnered with developers to begin piecing together funding for enhancing six of these eight sites into mixed income communities – combining replacement of the public housing with other affordable and market rental and ownership housing.

The SFHA is also negotiating with a development team to build 100 new apartments for senior and disabled individuals on an underutilized portion of the Rosa Parks senior site. Ground lease payments from the new housing are being used to meet some of the SFHA's immediate funding needs.

3. Enhancement Program (FY2015 – FY2019)

Two additional distressed public housing sites will be identified for investment from bond and/or other sources in the second five years of the planning cycle.

4. Deferred Projects and Emerging Needs

The Housing Authority is currently evaluating the impact of construction cost increases on the overall enhancement program, which may require the deferral of some proposed projects to enable the department to complete work within available funds. The outcome of this review will be reported in next year's capital plan update.

The agency is also seeking funding for enhancement of up to six of the eight sites that require complete revitalization as well as for renewal of sites that will have long term viability with some infrastructure improvements.



*Valencia Gardens Hope VI
Revitalization*

Health and Human Services

	FY2010	FY2011	FY2012	FY2013	FY2014	FY 2015- FY 2019	PLAN TOTAL	BACKLOG
State of good repair renewal - Need	41,641	43,723	45,909	48,205	50,615	293,665	523,759	410,800
SPENDING PLAN								
State of good repair renewal - Proposed Uses	17,746	18,937	18,092	19,235	21,683	151,264	244,956	365,924
ADA Transition Plan Improvements	3,249	2,752	2,166	1,216			9,382	
Enhancements	175,712	242,707	271,827	144,970			835,015	820,823
TOTAL	196,707	262,396	291,884	165,421	21,683	151,264	1,089,354	1,597,548

DEFERRED

REVENUES								
Local	187,695	254,384	283,872	157,409	13,671	111,204	1,008,234	
Federal	9,012	8,012	8,012	8,012	8,012	40,060	81,120	
TOTAL	196,707	262,396	291,884	165,421	21,683	151,264	1,089,354	
Total San Francisco Jobs/Year*	1,416	1,889	2,102	1,191	156	1,089	7,843	

*This is the equivalent of job years, which are defined as one year of full-time work (e.g. Three people employed for five years = 15 job years).

Departmental Breakdown

Department of Public Health

Program / Project	FY2010	FY2011	FY2012	FY2013	FY2014	FY 2015- FY 2019	PLAN TOTAL	BACKLOG
State of good repair renewal - Need	18,780	19,719	20,705	21,740	22,827	132,439	236,208	95,054
SPENDING PLAN								
State of good repair renewal - Proposed Uses	9,871	8,605	9,719	10,822	13,180	91,377	143,574	124,280
ADA transition plan improvements	3,249	2,752	2,166	1,216			9,382	
SFGH Rebuild	135,995	217,835	256,490	144,970			755,290	
SFGH Emergency Generator Replacement Project	22,717						22,717	
SFGH Helipad		7,872					7,872	
Remaining SFGH Campus Seismic Upgrade								398,885
DPH Administration Building Seismic Bracing								115,734
Laguna Honda Hospital Replacement	17,000	17,000	15,137				49,137	
Laguna Honda Hospital Seismic Upgrade (A, B, & C)								36,204
TOTAL	188,831	254,064	283,512	157,007	13,180	91,377	987,971	675,114
REVENUES								
Local - General Fund	13,119	11,357	11,885	12,037	13,180	91,377	152,956	
Local - GO Bond	135,995	217,835	256,490	144,970			755,290	
Local - Lease Purchase Financing	21,717						21,717	
Local - Other Sources	17,000	24,872	15,137				57,009	
Federal	1,000						1,000	
TOTAL	188,831	254,064	283,512	157,007	13,180	91,377	987,971	
Total San Francisco Jobs/Year	1,360	1,629	2,041	1,130	95	658	7,113	

Human Services Agency								
Program / Project	FY2010	FY2011	FY2012	FY2013	FY2014	FY 2015- FY 2019	PLAN TOTAL	BACKLOG
State of good repair renewal - Need	4,862	5,105	5,360	5,628	5,909	34,286	53,607	7,066
<u>SPENDING PLAN</u>								
State of good repair renewal - Proposed Uses	2,555	2,228	2,516	2,802	3,412	23,656	37,168	32,176
ADA transition plan improvements								DEFERRED
TOTAL	2,555	2,228	2,516	2,802	3,412	23,656	37,168	39,242
<u>REVENUES</u>								
Local - General Fund	2,555	2,228	2,516	2,802	3,412	23,656	37,168	
TOTAL	2,555	2,228	2,516	2,802	3,412	23,656	37,168	
Total San Francisco Jobs/Year	18	16	18	20	25	170	268	

San Francisco Public Housing Authority								
Program / Project	FY2010	FY2011	FY2012	FY2013	FY2014	FY 2015- FY 2019	PLAN TOTAL	BACKLOG
State of good repair renewal - Need	19,000	18,900	19,845	20,837	21,879	126,941	198,478	308,680

SPENDING PLAN								
Current Backlog								185,199
Distressed properties								123,481
Non-distressed properties								184,130
State of good repair renewals	10,012	8,012	8,012	8,012	8,012	40,060	82,120	270,000
Enhancements								
TOTAL	10,012	8,012	8,012	8,012	8,012	40,060	82,120	762,810
REVENUES								
Local - General Fund	2,000						2,000	
Federal - HUD	8,012	8,012	8,012	8,012	8,012	40,060	80,120	
TOTAL	10,012	8,012	8,012	8,012	8,012	40,060	82,120	591
Total San Francisco Jobs/Year	72	58	58	58	58	288		



Section 4 | Infrastructure & Streets

A.	Streets & Rights-of-Way	57
B.	Public Utilities Commission - Water Enterprise Facilities	65
C.	Public Utilities Commission - Wastewater Enterprise Facilities	73
D.	Public Utilities Commission - Hetch Hetchy Water & Power	78
E.	Financial Schedules	84

IV. Infrastructure and Streets

The City and County of San Francisco is responsible for operating and maintaining a complex infrastructure network that supports the delivery of critical services to San Francisco residents, businesses and visitors. The San Francisco Public Utilities Commission (SFPUC) is responsible for providing and distributing water; wastewater treatment, effluent discharge and biosolids disposal; supplying electric power; and operating the Hetch Hetchy Reservoir. While the SFPUC primarily maintains infrastructure that is underground, the Department of Public Works (DPW) is responsible for infrastructure above ground – roadways, sidewalks, landscaping and street structures.

The City maintains approximately 850 miles of streets and roadways comprising 12,458 street segments or blocks; 37 miles of roadway within the City's Park System; sidewalks adjoining City, State and Federal properties as well as certain special streets such as the Embarcadero; 340 street structures; and more than 35,000 street trees.

To distribute water to its customers, the SFPUC's Water Enterprise (WE) operates and maintains the following facilities: 24 pipelines and related facilities; 26 pump stations; 29 dams and reservoirs; 9 tanks; 11 tunnels; 28 valve lots; two water treatment plants; three yards; and 30 chemical stations (chlorination and fluoride stations, aeration facilities, alum treatment plant and Thomas Shaft).

The Wastewater Enterprise (WWE) is responsible for wastewater treatment, effluent discharge, and biosolids disposal. The WWE operates and maintains three wastewater treatment facilities, 900 miles of sewers, and numerous pump stations and transport facilities.

The Hetchy Power Enterprise is responsible for providing an adequate and reliable supply of electric power to meet the electricity needs of the City's customers and also must satisfy the municipal loads and agricultural pumping demands of the Modesto and Turlock Irrigation districts. The Hetchy Water Enterprise operates the Hetch Hetchy Reservoir, the system's main source of water. In addition, Hetchy Water is responsible for the operation, maintenance, and improvements of smaller dams and reservoirs, water transmission systems, power generation facilities and power transmission assets, including transmission lines to the Newark substation.

Highlights and Accomplishments

Although the City faced a budget shortfall of more than \$300 million when developing the FY 2008-2009 budget, it was able to make significant investments in streets and right-of-way assets through a new funding source: Gas Tax Revenue Certificates of Participation (COPs). These COPs leverage future gas tax revenues, allowing the City to fully fund DPW's street resurfacing program in FY 2008-2009.

As a part of the City's revised debt strategy, the plan proposes the November 2009 Road Repair and Safety Improvements General Obligation bond. The objective of the bond is to continue record, critical investments to improve the condition and safety of city streets. Spreading out the costs over the life of the streets and right-of-way assets are an additional benefit. In September 2008, the City agreed to a formal partnership with the Clinton Global Initiative (CGI) to transform the city's Civic Center into a sustainable resource district, maximizing energy and water efficiency, reducing waste, and increasing the use of wastewater. More information on this project can be found in the Emerging Needs of the Hetch Hetchy Water & Power section of this chapter.

The SFPUC achieved a key milestone for the Water System Improvement Program (WSIP) in December 2008, when the Board of Supervisors approved a \$1.9 billion supplemental appropriation to fund the program through June 30, 2010. The following table shows the status of local and regional WSIP projects as of September 30, 2008.

Project Phase	Regional Projects	Local Projects
Planning	6	3
Design	31	5
Construction	6	10
Completed	7	17

In 2008, the WWE continued the implementation of the fourth year of the Wastewater Interim Capital Improvement Program to address flooding, aging infrastructure, and odor control (totaling \$159 million). The WWE anticipates Commission approval of the Wastewater Master Plan in early 2009. The draft master plan spans 30 years, with proposed planning investments totaling \$25.4 million. The WWE proposes significant future investments to ensure public health and safety, infrastructure reliability and environmental justice. These investments will also help meet future regulatory requirements and customer, storm water, and odor control needs.

The Hetchy Power Enterprise is looking into an Ocean Power Project to generate renewable energy for municipal facilities. Furthermore, the Enterprise is conducting an assessment of the City's existing streetlight system, focusing on City-owned facilities more than 60 years old, and will develop a retrofit/replacement program.

A. Streets & Rights-of-Way

Streets Paved in San Francisco: 2004-2008



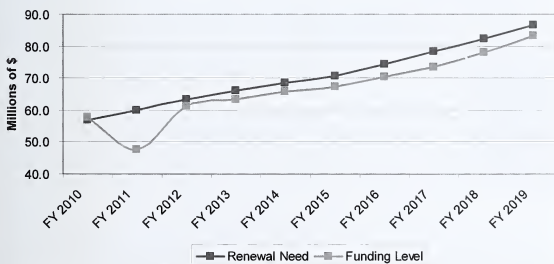
A. Streets & Rights-of-Way

The FY 2010-2019 Capital Plan proposes investments totaling nearly \$870 million for streets and right-of-way assets managed by the Department of Public Works. A major change in this year's capital plan is the proposed November 2009 Road Repair and Safety Improvements General Obligation bond, which will include funding for street resurfacing, sidewalk repair, street structures, curb ramps, and streetscape improvements.

1. Renewal Program

The total annual investment needs required to maintain streets and right-of-way assets in their current condition over the next ten years is estimated at \$707 million. The annual need does not include \$513 million in current backlogs from deferred maintenance for all roads and street structures.

Streets and Rights-of-Way Renewal



The Renewal Need line is based on expected annual costs escalated over a 10-year period. Proposed funding slightly exceeds the FY2010 renewal need. By the tenth of the year plan, the funding gap is \$7.0 million. Streets and right-of-way asset investments increased 14% from last year.

Regular maintenance is critical to preserving a street's condition. If not regularly paved, a street will often require complete replacement – at five times the cost.

Given funding constraints, the plan allocates \$668 million to these needs, requiring the deferral of \$81 million in work until future plan periods.

To establish annual needs and deferred maintenance backlogs for streets and rights-of-way assets, the plan uses a variety of different modeling tools described in the following pages.

- **Street Resurfacing.** DPW's pavement management strategy is to preserve streets by applying the right treatment to the right roadway at the right time. While new pavements generally remain in good condition for several years, the rate of deterioration increases rapidly after seven to ten years. At approximately 20 years, the surface of the street must be replaced at higher costs. However, the life of streets can be extended as many as five years through low-cost preventive maintenance, which helps delay the costs of major pavement reconstruction. DPW also repairs the asphalt surface to prevent damage reaching the concrete base, which is significantly more costly to repair.



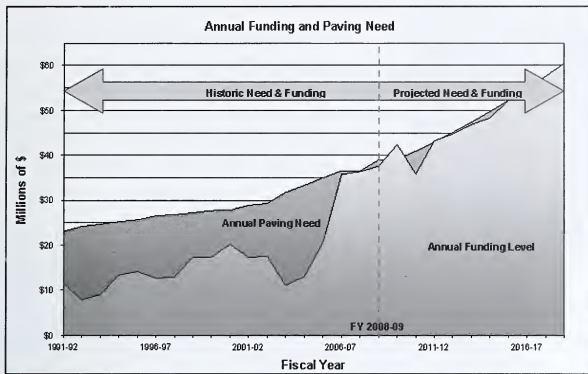
*Before & after: Connecticut Street
from 18th to Mariposa*

Regionally, the Metropolitan Transportation Commission (MTC) – the regional agency responsible for transportation planning – is encouraging the use of preventive maintenance and other preservation strategies. The MTC is developing a new policy that will tie regional funding to preventive maintenance performance. It is critical that the City include and prioritize preventive maintenance treatments to maximize its share of state and federal funds available to the region.

The City must appropriate \$39 million annually from federal, state and local sources, increasing with inflation in future years, to maintain San Francisco's current average pavement condition index (PCI) of 64. To achieve an average PCI of 70 over the coming ten years, the City would need to appropriate \$56.9 million annually.

Overall, the Plan allocates \$487 million for street resurfacing, meeting 99 percent of the projected \$491 million need. This significant investment is possible because of the proposed G.O. bond in November 2009 and a dedicated funding source beginning no later than FY2016. Possibilities for

the dedicated source include a quarter-cent sales tax, a gas tax increase, a second G.O. bond, an Infrastructure Financing District, or other special assessment. If either the 2009 bond or the dedicated funding source do not receive sufficient support from voters, General Fund dollars will be allocated to address some of the program's needs. However, since there are many needs competing for General Fund dollars, the level of investment will be significantly less than what is currently proposed.



Projected funding levels in the above graph include the 2009 Road Repair and Safety Improvements G.O. bond and the proposed dedicated revenue source for street resurfacing.

- Sidewalks.** In 2007 the City implemented the Sidewalk Inspection & Repair Program (SIRP), a new proactive inspection and repair program for both public and private sidewalks. There are approximately 5,300 square blocks of sidewalks citywide, of which 97 percent are the responsibility of adjoining private property owners. When fully implemented, SIRP will inspect and repair approximately 200 square blocks per year. As of December 2008, DPW has inspected 300 blocks and completed repairs on 148 blocks, with the balance to be completed by February 2009. The City is also committed to the development and sustainability of its urban forest. Street trees contribute to the need for sidewalk repair because sidewalks often buckle as the trees mature. There is approximately 12 million square feet of damaged sidewalks, 15 percent of which is the City's direct responsibility to maintain and repair.

The annual cost for replacing defective sidewalks is \$5.4 million, down almost one-third from last year. Unlike in previous years, the plan does not assume full funding for the program. Of the \$62 million in proposed investments, nearly one third (\$20 million) is funded through private property owners.



DPW crew preparing sidewalk for repair

- Street Structures.** The Roadway Structure Program includes inspection and repairs to City owned structures such as bridges, tunnels, viaducts, retaining walls, guardrails, and stairways.

This year's capital plan builds upon prior data collection and analysis by the DPW Bureau of Engineering's street structure inspection program. Using current annual inspection reports, staff collected additional data and refined repair costs based on



Chinatown Gateway

The total need for street structures has decreased 31 percent, largely due to the continued improvements to the needs analysis methodology used by DPW's Bureau of Engineering.

similar repair projects performed in FY 2008. Unless funding is available, structures requiring extensive rehabilitation and replacement are reported in the current backlog of deferred maintenance. Additionally, a portion of the City's vehicular bridges qualify for the federal Bridge Preventative Maintenance Program (BPMP), effectively leveraging city dollars against federal funds to complete specific structural maintenance work.

The plan identifies an annual need of \$7.1 million to maintain the City's street structures. Given funding constraints, the Plan proposes a total investment of \$67 million.

- **Street Tree Maintenance.** DPW is responsible for maintaining approximately 35,000 trees throughout the City. The plan proposes a total investment of approximately \$36 million, more than three-quarters of the total need.
- **Street Tree Replacement and Establishment.** The City loses an average of 375 trees annually as a result of typical tree mortality, disease or vandalism. Once planted, new and replacement trees require frequent watering and re-staking for the first five years in order to foster the root system and promote tree growth. The highest loss rates of young trees happen within the first three years of planting. Ideally, mature trees should be pruned every three years to maintain proper and healthy growth and provide ADA-mandated width and headroom over sidewalks for pedestrians.

Funding constraints have resulted in a six year maintenance and pruning cycle for mature trees. The plan proposes \$11 million in investments toward the total need.

- **Irrigation Repairs.** With 68 landscaped medians across the city, irrigation systems must be routinely maintained to preserve the systems' useful lives and keep the landscaping in good condition. These systems prevent the need for manual watering, which costs the City much more. The Plan allocates \$4.1 million (62 percent) of the \$6.7 million need.

2. Enhancement Program (FY2010 – FY2019)

The majority of identified needs in this category are renewals. The exceptions are the proposed seismic enhancement and replacement of Doyle Drive, curb ramp improvements, the repair and seismic retrofit of Islais Creek Bridge, and streetscape improvements.

- **Doyle Drive Replacement Project.** Constructed almost 60 years ago to provide direct access to the Golden Gate Bridge, Doyle Drive has deteriorated structurally and cannot accommodate existing traffic volumes. Additional problems include lanes that are too narrow, lack of a barrier separating opposing traffic flows, and lack of shoulders for use by disabled vehicles, maintenance crews, and emergency and enforcement vehicles. As of 1992, Doyle Drive was experiencing almost three times the normal number of accidents for a roadway of its type. In addition, the effects of heavy traffic and exposure to salt air have significantly deteriorated the structures that support it.



Schematic of the Doyle Drive Replacement Project

The Federal Highway Administration (FHWA), the California Department of Transportation (Caltrans), and the Transportation Authority have completed a joint environmental impact statement and report (EIS/EIR) pursuant to the National Environmental Policy Act and the California Environmental Quality Act. The project cost for Doyle Drive is estimated to be more than \$1.0 billion during the next ten years and \$1.05 billion over the entire life of the project.

- **Right-of-Way Disability Access Improvements.** Title II of the Americans with Disabilities Act (ADA) requires local entities to develop a transition plan specific to curb ramps. San Francisco's Public Right-of-Way Transition Plan describes the City's existing policies and programs to enhance accessibility in the public right-of-way, including curb ramps. The City has made a strong commitment to improve curb ramps, sidewalks, street crossings, and roadways and provide accessible paths of travel for people with disabilities.

More information on Doyle Drive is available online at www.doyledrive.org.

The Transportation Authority certified the EIR for Doyle Drive on December 16, 2008 and the FHWA signed the federal Record of Decision two days later.

Last year, the City completed 788 curb ramp improvements.

In conjunction with other City departments, the Controller's Office is conducting a study to streamline existing processes for designing, constructing, maintaining, and funding streetscape improvement projects.

In addition, the San Francisco Public Works Code incorporates several policies that regulate the use of outdoor furnishings and require that all construction projects affecting the public right-of-way provide alternate routes that maintain a safe and accessible path of travel for people with disabilities. The plan proposes \$79 million to meet this need for individuals with disabilities.

- **Islais Creek Bridge.** In 2008, DPW hired a consultant to assess the general and seismic condition of the bridge. The findings identified the need for the painting, rust removal, concrete spall repair, seal water leaks, bridge machine equipment and electrical system upgrades, steel bridge deck replacement and damage repair. Seismic upgrade work and installation of traffic and pedestrian safety devices are also necessary. The Plan proposes \$52 million in investments for this project.
- **Better Streets Plan Implementation.** The Better Streets Plan seeks to balance the needs of all street users, with a particular focus on the pedestrian environment and how streets can be used as public space – serving social, recreational, and environmental in addition to transportation needs. The capital plan proposes \$71.5 million in streetscape improvements funded through the November 2009 Road Repair and Safety Improvements G.O. bond.

3. Deferred Projects

While the Plan proposes cash investments to meet an increasing percentage of annual renewal investment needs during the plan period, it does not provide funds to reduce existing backlogs of deferred maintenance, which are described below. The plan also proposes the deferral of three enhancement projects, including Great Streets and Utility Undergrounding.

- **Street Resurfacing.** DPW considers a street eligible for repaving once its PMMS pavement condition index falls below 64. PMMS has identified approximately 6,262 street segments that are in need of renovation. These streets comprise the existing backlog of deferred maintenance, which totals \$439 million. This represents the cost to raise the PCI score of these streets to 100. Funding constraints also require the deferral of an additional \$30 million.
- **Street Structures.** Stairways, retaining walls, tunnels, bridges, overpasses, and other structures that require replacement or extensive rehabilitation are categorized as included in the backlog of deferred maintenance, totaling \$29 million. Funding constraints also require the deferral of an additional \$16 million.

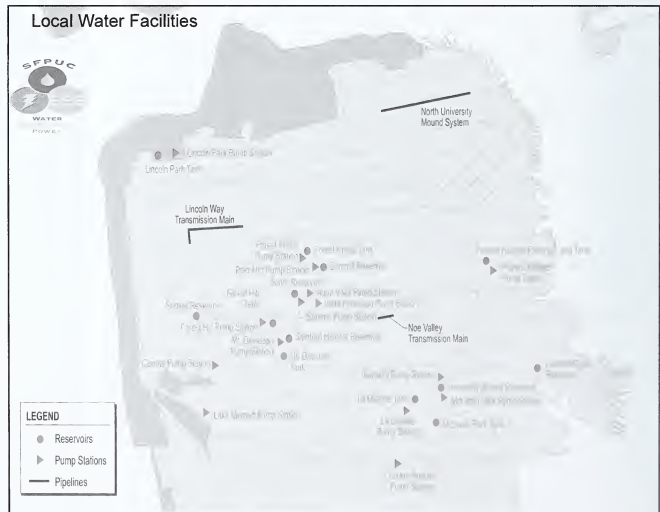
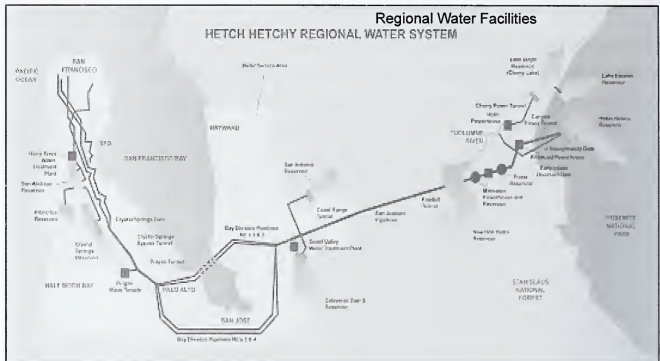
- **Recreation & Park Roads.** The Recreation and Parks Department maintains 37 linear lane miles of streets. Deferred from the Plan, the costs for grinding and replacing asphalt and basic maintenance (filling potholes, patching, etc.) are estimated at \$44 million by the end of the planning cycle.
- **Irrigation Upgrades.** Proposed upgrades to irrigation systems at several landscaped medians throughout the City are deferred at an estimated cost of \$27 million. The Plan proposes investments in these irrigation systems in the form of maintenance; however, upgrades must be deferred until revenue sources are identified.
- **Great Streets.** Almost \$239 million in investments for this program are deferred from the Plan until additional funding sources are identified. Great Streets will likely be combined with the Better Streets Plan in future years.
- **Utility Undergrounding.** According to the Utility Undergrounding Task Force Report, the citywide cost of undergrounding and associated street lighting is estimated at \$2.7 billion to be completed over 50 years beginning in FY 2009, resulting in an annual cost of \$53.6 million. The Task Force recommends funding these costs with a future surcharge on utility bills. This project will be updated in subsequent plans as more information becomes available.

4. Emerging Needs

The need or amount of capital investment required to meet the following emerging needs are not funded in this year's Plan but will be reviewed in the subsequent years as additional planning reduces uncertainty.

- **Market Street Renovation Project.** Last upgraded in 1987, Market Street is one of San Francisco's most important thoroughfares. A comprehensive renovation of the street will require an environmental review and extensive interagency coordination. Right-of-way improvements could include roadway base repairs and resurfacing, sidewalk repair, crosswalk reconstruction, curb ramp upgrades, new street trees, and other streetscape improvements guided by the San Francisco Better Streets Plan.

B. Public Utilities Commission - Water Enterprise Facilities

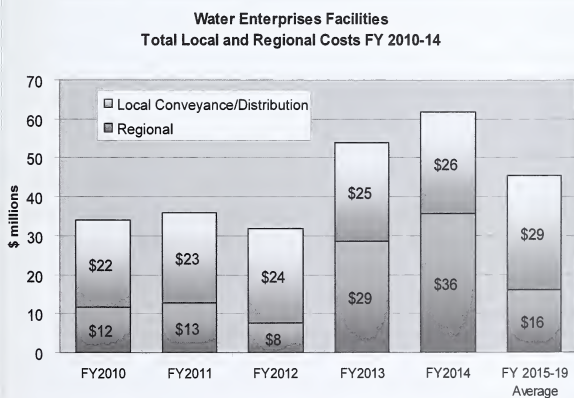


Public Utilities Commission - Water Enterprise Facilities

Project costs for the Water Enterprise (WE) total nearly \$1.9 billion, including the Water System Improvement Program (WSIP). Investments over the next ten years, divided between regional and local needs, are shown on the following table.

Regional		(Millions)
WSIP		\$1,252.4
(excluding financing costs of \$189.8 million)		
Treatment Facilities		19.0
Water Conveyance/Transmission System		126.7
Watershed/ROW Management		2.5
Facilities Maintenance		31.6
	Total	\$1,432.2
Local		
Security		\$9.5
Water Conveyance /Distribution System		268.3
Meter Replacement		40.6
Treasure Island		15.3
525 Golden Gate		147.2
	Total	\$480.9

The graph below shows that regional spending (excluding WSIP) will grow over the next several years from \$12 million in FY 2010 to an average of nearly \$16 million per fiscal year in the final five years of the ten-year plan. Local Water Conveyance/ Distribution Improvement costs over the same period increase at a rate of 4% per year.



Identified capital needs will be financed with a combination of existing water revenue bonds and additional revenues. Projects will be deferred if funding is not available.

SFPUC's Water Enterprise is currently developing an Asset Management Plan to identify and evaluate capital, repair and replacement, and maintenance needs throughout the water delivery system. This plan will provide a more accurate picture of the system's needs beyond those addressed by the Water System Improvement Program. Preliminary results of this analysis are expected in late 2009.

1. Renewal and Replacement Program

Annual funding for the Water Enterprise's Renewal and Replacement (R&R) Program totals approximately \$35 million. The proposed R&R program includes investments to keep the water systems operational with the goal of reaching a state of good repair.

- **Regional Water Treatment Facilities (\$19.0 million).** This consists of major upgrades to treatment facilities to achieve a higher level of performance. Projects include chemical dosage upgrades, flow monitoring, valve and pump replacement, chemical handling upgrades, power upgrades, systems to control discharges, process control equipment to meet more stringent drinking water regulations, and seismic improvements.
- **Regional Water Renewal & Replacement/Water Conveyance Facilities (\$126.7 million).** This will provide funding for new, expanded, or upgraded facilities, grounds and watershed infrastructure. Projects consist of upgrades to watershed structures to meet new State Division of Safety of Dams requirements and improvements to the Sunol and Millbrae yards.
- **Regional Water Watersheds/Right of Way Management (\$2.5 million).** The purpose of this program is to support capital projects that improve or protect the water quality and ecological resources that affect or are affected by the operation of the SFPUC water supply system within the Bay Area counties. Projects may include the repair, replacement, maintenance, construction of roads, fences, or trails that meet these purposes.
- **Facilities Maintenance (\$31.6 million).** Funding allows for the replacement of equipment in the treatment system following regular condition assessments, inspection and minor repairs to pipelines, pipeline corrosion control and watershed maintenance. These maintenance programs are needed to ensure that adopted levels of service are maintained.

- **Security (\$9.5 million).** This project provides security and protects the integrity of the SFPUC Water Enterprise Facilities and the security and life safety of SFPUC employees. The security program will implement the design enhancements developed to augment the Vulnerability Assessments intended to minimize security risk at SFPUC water facilities.
- **Local Water Conveyance & Distribution (\$268.3 million).** This program is for the systematic replacement of existing water distribution mains (8-inch or smaller) over time with ductile iron pipes, along with the construct/replace/retrofit of 12-inch or larger water feeder or transmission mains in San Francisco. Also included is the on-going program to renew old, galvanized, plastic, and lead water services.
- **Treasure Island (\$15.3 million).** On October 1, 1997, concurrent with the operational closure of Treasure Island Naval Station, the City entered into a Cooperative Agreement with the U.S. Navy in which the City agreed to take responsibility for caretaker services on Treasure Island and Yerba Buena Island. Since the signing of the agreement, the SFPUC has been providing utility operations and maintenance services to the potable water system. Costs for the Water Enterprise over the ten-year period include repairing two reservoirs and a new water pump station.

2. Capital Program (FY 2010 – 2019)

The Plan proposes more than \$1.4 billion in addition to R&R and other investments discussed previously. Some of these key projects are listed below.

- **525 Golden Gate.** In June 2000, the City acquired the land and building at 525 Golden Gate Avenue from the State of California and in June 2006, the Board of Supervisors authorized the transfer of the property to the SFPUC to develop office space.

With 12 floors grossing approximately 258,000 square feet, the “green” building will feature solar panels, wind turbines and a water recycling system. The total estimated project costs for the new administration building at 525 Golden Gate Avenue is \$190.6 million, including \$9.9 million for land and acquisition costs. The remaining \$147.2 million not yet appropriated is included in the capital plan. (\$43.4 million was previously budgeted).

- **Automated Meter Reading System.** SFPUC is developing an Automated Water Meter Reading System that will largely eliminate meter reading field visits, improve customers’ access to usage information, detect tampering, theft and leaks, and enhance flow profiling. The total estimated cost of this project is \$58.7 million (\$18.2 million was previously budgeted).



*Proposed building design for 525
Golden Gate Avenue*

- **Water System Improvement Program.** The Water System Improvement Program (WSIP) is the SFPUC's multi-billion dollar, multi-year capital program to rebuild its water system. The program will enhance the SFPUC's ability to provide reliable, affordable, high-quality water to its 2.5 million customers through environmentally sustainable means.

The program cost totals \$3.93 billion, excluding projected financing costs of \$442.5 million. In December 2008, the Board of Supervisors approved a \$1.92 billion supplemental appropriation to fund WSIP through June 30, 2010, which also fully funded the San Francisco Local Program.

- (1) Program objectives include the following:
- (2) Deliver system improvements to provide high quality water that reliably meets current and foreseeable local, state, and federal requirements;
- (3) Reduce the water system's seismic vulnerability;
- (4) Increase system reliability for water delivery by improving redundancy needed to accommodate planned outages for maintenance and unplanned outages resulting from facility failure;
- (5) Provide near-term improvement of water supply/drought protection;
- (6) Set forth long-term water supply/drought management options for technical evaluation, cost analysis, and environmental review;
- (7) Enhance sustainability through improvements that optimize protection of the natural and human environments; and
- (8) Provide improvements resulting in a cost-effective fully operational water system.

The Commission provided direction on specific level-of-service goals for water quality, seismic reliability, delivery reliability, and water supply. The scope of the projects comprising the WSIP were developed using these goals. The program's proposed local and regional projects are shown in the following tables.

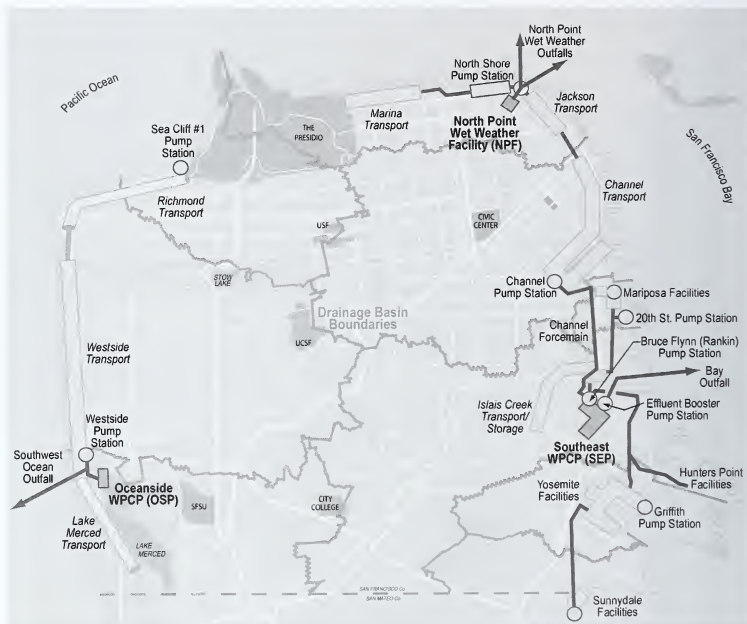


A break in the San Joaquin pipeline

WSIP - Regional Projects	
San Joaquin	Lawrence Livermore Water Quality Improvements San Joaquin Pipeline System Tesla Treatment Facility
Sunol Valley	Alameda Creek Fishery Enhancement Standby Power Facilities - Various Locations New Irvington Tunnel Alameda Siphon #4 Upgrade Pipeline Repair and Readiness Improvements Calaveras Dam Replacement San Antonio Back-up Pipeline Sunol Valley Water Treatment Plant-- Expansion & Treated Water Reservoirs San Antonio Pump Station Upgrade
Bay Division	Bay Division Pipeline # 3 & 4 Crossovers/Isolation Valves Seismic Upgrade of Bay Division Pipeline No 3 & 4 SCADA System - Phase II System Security Upgrade Bay Division Reliability Upgrade-Tunnel/Pipeline Bay Division Reliability Upgrade-Relocate BDPL 1 & 2 Bay Division Pipeline No 3 and 4 Crossovers SFPUC/EBMUD Intertie Bay Division Pipeline #4 Condition Assessment PCCP Sections
Peninsula	Lower Crystal Springs Dam Improvements New Crystal Springs Bypass Tunnel Adit Leak Repair - Crystal Springs/Calaveras Pulgas Balancing Reservoir Rehabilitation Cross Connection Controls Harry Tracy Water Treatment Plant - Short-term Improvements Harry Tracy Water Treatment Plant - Long-term Improvements Capuchino Valve Lot Improvements Crystal Springs/San Andreas Transmission Upgrade Baden and San Pedro Valve Lots Improvements Crystal Springs No. 2 Pipeline Replacement San Andreas No. 3 Pipeline Installation Sunset Reservoir - North Basin University Mound Reservoir - North Basin
Water Supply	Groundwater Projects - Lake Merced Water Level Restoration Groundwater Projects - North & South Westside Basin Recycled Water Project - San Francisco & Harding Park SF Bay Desalination
Miscellaneous Projects	Program Environmental Impact Report Watershed and Environmental Improvement Program Program Management Habitat Reserve Program

WSIP – San Francisco Local Projects	
Reservoirs	Summit Reservoir Rehabilitation Hunters Point Reservoir Rehab & Seismic Upgrade Stanford Heights Reservoir Rehabilitation Potrero Heights Reservoir Rehabilitation Sutro Reservoir Rehab & Seismic Upgrade
Pump Station / Tanks	Crocker Amazon Pump Station Upgrade Lake Merced Pump Station Essential Upgrade La Grande Tank Seismic Upgrade Forest Hill Tank Rehab & Seismic Upgrade Forest Hill Pump Station Upgrade Forest Knolls Pump Station Upgrade Lincoln Park Pump Station Upgrade Alemany Park Pump Station Upgrade Mount Davidson Pump Station Upgrade Palo Alto Pump Station Upgrade Sky View - Aqua Vista Pump Station Upgrade Summit Pump Station Upgrades McLaren #1 Tank Rehab & Seismic Upgrade Potrero Heights Tank Seismic Upgrade Forest Knolls Tank Seismic Upgrade Lincoln Park Tank Seismic Upgrade McLaren #2 Tank Rehab & Seismic Upgrade Mount Davidson Tank Seismic Upgrade La Grande Pump Station Upgrade Potrero Heights Pump Station Upgrade Vista Francisco Pump Station Upgrade
Pipeline / Valves	North University Mound System Upgrade Key Motorized and Other Critical Valves Sunset Circulation Improvements Lincoln Way Transmission Line Noe Valley Transmission Main, Phase 2 East / West Transmission Main Fulton @ Sixth Ave - 30" Main Replacement
Miscellaneous Projects	Vehicle Service Facility Equipment Safety Upgrade Fire Protection @ CDD

C. Public Utilities Commission - Wastewater Enterprise Facilities



Public Utilities Commission - Wastewater Enterprise Facilities

The Wastewater Enterprise (WWE) is responsible for the operation, maintenance, capital improvements and repair/replacement of the following wastewater facilities and assets.

Southeast Water Pollution Control Plant	Chavez/Army Circle Lift Station
Bruce Flynn Pump Station	Geary Expressway Lift Station
Oceanside Water Pollution Control Plant	Sunnydale PS & Transport
Westside Pump Station	Rankin Wet Weather Lift Station
Zoo Wet Weather Lift Station	Richmond Chemical Station
North Point WWF & North Shore Pump St	Berry Pump Station
Channel Pump Station & Transport	Richmond Transport
Southeast Booster Pump Station	North Shore Transport
Griffith Pump Station	Islais Creek Transport
Hudson Avenue Pump Station	Westside Transport
Mariposa Pump Station & Transport	Marina Transport
Palace of Fine Arts Pump Station	Jackson Transport
Pine Lake Pump Station	Yosemite Transport
Sea Cliff #1 Pump Station	Hunters Point Transport
Sea Cliff #2 Pump Station	900 Miles of Sewers
Tennessee Pump Station	3 Ocean/Bay Outfalls
20th Street Pump Station	36 Overflow Structures
Merlin/Morris Pump Station	Southeast Community Facility

The ten-year capital plan shows total project costs for the WWE of \$3.5 billion. Capital investments during the ten-year period are in the following areas:

- Wastewater Master Planning (\$5.0 million);
- Odor Control (\$184.1 million);
- Treatment Facilities (\$2.0 billion);
- Pump Stations (\$57.0 million);
- Sewer System (\$1.2 billion); and
- Treasure Island (\$3.8 million).

1. Renewal and Replacement Program

The recommended renewal investment is estimated to cost \$19.4 million in FY 2010 and increase to \$29.6 million by FY 2019. The Wastewater renewal program includes two major categories: sewer replacements and treatment facilities. The WWE has been replacing approximately four miles of sewers each year at an annual cost of about \$12 million. The estimated annual cost beginning in FY 2010 is \$13 million. The goal is to accelerate the current 200-year replacement rate until the sewers are replaced once every 100 years. At an annual cost of approximately \$6.4 million, the treatment plant renewal program includes projects to keep the wastewater systems operational with the goal of reaching a state of good repair.

2. Capital Improvement Program (FY2010 – FY2019)

The ten-year Plan proposes investments totaling almost \$3.3 billion for capital improvements to the sewer system. The scope of the capital investments includes two categories of projects: (1) Sewer Improvement projects to expand the ability of the system to collect and convey wastewater, and (2) Aging Infrastructure and Odor Control to replace/renew old structures and maximize control of odors.

- **Wastewater Interim Capital Improvement Program (CIP).** The Plan includes \$171.2 million in improvements to Wastewater facilities during the next two fiscal years for projects that will become part of the Wastewater Interim Capital Improvement Program. The Interim CIP provides funding for projects that address the most critical needs of our aging wastewater system, improving the capacity of sewer mains, upgrading treatment facilities and reducing wastewater odors. The table below shows the projects included in the Interim CIP. Wastewater Interim Capital Improvement Program (CIP).

Projects	(Millions)
SEWPCP Bldg 010/230 Odor Control Improvements	\$6.2
SEWPCP Interim Solid Handling Improvements	4.3
Major Electrical and Mech. Equipment Replacement	12.5
WWE Security/Emergency Response Improvement	5.0
OSP Solids Handling and Coating Improvements	8.0
SEWPCP 12 KV Feeder, Hypo Tanks, DTIS, Lake Merced Outfall and North Point Facilities Phase 2	6.7
Low Impact Design (LID)	2.0
Biofuel/Alternative Energy	4.0
North Shore Force Main Replacement	7.2
Mariposa Pump Station Improvements	7.0
Channel Pump Station Force Main Replacement	10.0
Sunnydale Auxiliary Sewer Improvements Phase 1	50.0
Sunnydale Auxiliary Sewer Improvements Phase 2	8.0
Cesar Chavez Sewer Improvements Phase 1	11.0
Cesar Chavez Sewer Improvements Phase 2	12.0
Richmond Drainage Improvements Phase 2	3.8
Aging Sewer Replacements	10.0
SEWPCP Digester Gas Compressors	3.5
Total	\$171.2

- Wastewater Master Plan.** The Wastewater Master Plan (or Sewer System Master Plan) evaluates the current treatment and collection system and provides a long-term strategy for the wastewater and storm water management. The Master Plan determines present and future needs to ensure reliable service meeting all regulatory requirements, and identifies future additional operational and repair/ replacement needs, and associated wastewater projects and capital improvement program (CIP). A 15-Year CIP is proposed as a part of the Master Plan, a portion of which is addressed in this 10-Year plan.

The ten-year capital plan proposes nearly \$3.1 billion in investments from the Wastewater Master Plan, focusing on projects in the following categories:

- Wastewater Master Planning (\$5.0 million)
 - Odor Control (\$177.9 million)
 - Treatment Facilities (\$1,909.2 million)
 - Pump Stations (\$32.8 million)
 - Sewer/Collection System (\$962.1 million)
- **Redevelopment of Treasure and Yerba Buena Islands.** On October 1, 1997, concurrent with the operational closure of Treasure Island Naval Station, the City entered into a Cooperative Agreement with the U.S. Navy in which the City agreed to take responsibility for caretaker services on Treasure Island and Yerba Buena Island. As a result of this agreement, the SFPUC provides utility operations and maintenance services for the wastewater and storm water systems. Costs for the Wastewater Enterprise over the ten-year period include \$3.8 million for repairs to existing pumps stations, force mains, and the wastewater treatment plant.

1. Renewal and Replacement Program

The Hetch Hetchy renewal and replacement program is comprised entirely of the projected costs of \$462.1 million for the Hetchy Water Enterprise. These proposed costs will be financed with a combination of revenue bonds and additional revenues. If revenues are not available, projects will be deferred.

- **Communications and Security Renewals.** Investments for Communications and Security (\$10.0 million) are needed over the next ten years to assist in operating the Water and Power System.

The capital plan includes developing a new microwave communication system by the end of 2009. It also includes installing a multi-fiber communication link from Moccasin to the Powerhouses and Switchyard at Intake as a backup communication system to microwave. Due to the critical communication needs at these remote powerhouses, this redundant communication link is part of the ten-year plan.

- **Reservoirs/Dams.** Capital investments in Reservoirs/Dams are anticipated to cost \$45.5 million over the next ten years. Projects include work at Cherry, Eleanor and Hetch Hetchy reservoirs, dams and regulating reservoirs including Moccasin and Priest. Other projects include:

- **O'Shaughnessy Dam.** Improvements are needed for the isolation of the water from the lower discharge points at the dam into the Canyon Tunnel. This project includes the design and installation of a new isolation valve on the main discharge pipe coming from the reservoir through the diversion tunnel at the base of the dam. Other improvements at the dam include the renewal or replacement of the existing discharge valves and isolation gates in the dam. The existing flood control drum gates on the dam are in need of a major renovation including coating and significant structural improvements. These improvements will ensure continued safe and effective operation well into the future.



O'Shaughnessy Dam

- **Cherry Reservoir Improvements:** This is a multi-year project for general improvements to the dam, spillway, roadways, valve house, valves and operators, and other appurtenances associated with Cherry Reservoir.
- **Eleanor Dam:** The road surface of the dam has deteriorated excessively due to

periodic events of exceptionally high inflows. This project will allow resurfacing of the top of the dam as well as improvements to the capacities of the release valves. Increased release capacity will allow greater regulating control of this reservoir, ultimately reducing the number of events when the dam is overtopped.

- **Moccasin Reservoir Gate Tower:** Moccasin Gate Tower 1, 2, and 3 are 80 years old and in need of a seismic upgrade and other improvements such as upgrading the bird sprinkler systems to improve water quality in the reservoir.
- **Tuolumne River Watershed Protection.** This program supports capital projects in the amount of \$2 million that improve or protect the water quality and ecological resources that affect or are affected by the operation of the SFPUC water supply system within the Tuolumne River watershed. Projects may include the acquisition of easements and fee title of properties within the watershed that meet these purposes.
- **Water Transmission.** Capital investments in Water Transmission are anticipated to cost \$293 million during the next ten years. Projects include work on the San Joaquin Pipelines, Mountain Tunnel, Foothill Tunnel, Lower Cherry Aqueduct, the Granite Portal/Holm Powerhouse penstock, and Coast Range Tunnel. The project cost for Coast Range Tunnel is still being determined and is not included in this total.
- **Power Infrastructure.** The Plan proposes \$79.6 million in investments to repair and replace the Hetch Hetchy power system's exciters, governors, oil circuit breakers, transformers, transmitters, and distribution system.
- **Buildings/Roads/ROW.** Capital investments in Buildings/Roads/Right-of-Way are estimated at \$34 million over the next ten years. Some of these projects are detailed below.
 - **Facilities/ Roads/Buildings/Right of Way:** This is a multi-year project to fund renewals and replacements to support the infrastructure required for the operation and maintenance of both the water delivery and power generation/transmission system portion of the Hetch Hetchy Project.
 - **Facilities maintenance support structures.** This project is for the renewal and replacement of existing support structures and facilities, including major structural renovations and upgrades, re-roofing, interior remodels, upgrading and remodeling craft work areas and shops.
 - **Emergency Operations Center – Moccasin Campus.** This project is for the redesign, seismic upgrade and renovation of the old Moccasin Powerhouse.

The intent is for this building to serve as the Emergency Operations Center for up-country operations and will consist of offices and meeting space for Project Operations Administration, Maintenance Engineering, Water Quality and Energy Services staff. In addition, the renovation will include a new control room for the Moccasin Powerhouse.

2. Capital Program (FY 2010 – 2019)

The Hetch Hetchy Water & Power capital program is comprised entirely of \$770.4 million in projected costs for the Power Enterprise (PE).

- **Streetlighting.** There are approximately 42,000 streetlights located in San Francisco. The Power Enterprise provides power to all 42,000 streetlights, maintains approximately 22,000 streetlights owned by the City, coordinates and funds the maintenance of approximately 20,000 streetlights owned by Pacific Gas & Electric (PG&E).

The Power Enterprise is in the process of performing an assessment of the existing streetlight system, particularly City-owned facilities over sixty years old, and preparing a retrofit/replacement program that will include specific recommendations, strategies for capital recovery, and an implementation schedule. These assessments and the resulting construction are estimated to cost \$64.9 million over the 10-year period.

- **Transmission and Distribution.** Transmission and distribution (T&D) projects are defined as 12 kV service voltages and higher. These projects address the SFPUC's ability to assess and develop City-owned transmission and distribution assets as well as evaluate its reliance on assets owned by a third-party. T&D projects support the SFPUC's responsibility to provide long-term electric reliability options and services for the City. Estimated to cost \$71.4 million over the next ten years, these projects include the following:

- A condition assessment of existing third-party T&D systems and ultimate construction, estimated to cost \$64.5 million.
- Construction and ownership of new T&D systems where power can be taken at a higher (or primary service) voltage and then stepped down to a lower (or secondary service) voltage, estimated to cost \$3.5 million.
- A small portion of the T&D projects are renewal and replacement, totaling \$3.4 million.

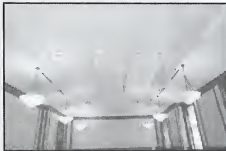


Streetlight powered by Hetch Hetchy Water and Power

- **Generation/Renewable Power.** To deliver electricity as a commodity to its customers, the Power Enterprise relies on its power purchases from the Hetch Hetchy hydroelectric powerhouses, on-site generation, and third-party purchases. In accordance with the requirements of City policies and directives relating to renewable energy and goals to reduce greenhouse gases, the Power Enterprise is continuously researching, developing and implementing new electricity generation resources to provide clean, local generation where it is needed and ensuring reliable power services. Costs over the next 10 years are projected at \$87.6 million. This includes both renewable energy projects and strengthening local electric reliability. Design-build solar PV projects underway include MUNI Ways and Structures, MUNI Woods Coach, Chinatown Public Health, City Hall (part of the sustainable energy district), Davies Symphony Hall.

In accordance with expressed policy by the Mayor and Board of Supervisors, the Power Enterprise is considering an Ocean Generation Project to generate renewable energy for use in municipal facilities. The scale of this project is a key determinant of future capital requirements, and is dependent upon sufficient net revenues. This project is estimated to cost \$9.3 million over the next ten years.

The SFPUC is examining a number of ways to increase the generation of renewable power. The additional larger amounts of renewable energy may be needed to meet Renewable Portfolio Standards (RPS) for public power, possible RPS standards for municipal loads (if State legislation is enacted for this requirement) and possible renewable needs for Community Choice Aggregation. The Power Enterprise has entered into a Power Purchase Agreement and a corresponding lease for the deployment of solar energy at Sunset Reservoir. Other sites are also being examined for larger scale development of solar energy at SFPUC-owned land at Tesla and Sunol. The model for development is straight power purchase agreements, where the Power Enterprise agrees to purchase power and the developer designs, permits, installs, owns and operates the system, thereby minimizing the Enterprise's upfront capital costs. Ownership of the facility could transfer to the City after the developer recovers its costs and earns a reasonable rate of return. Development of further renewable Power Purchase Agreements beyond Sunset Reservoir is dependent on needs and the financial ability



*New energy efficient lighting
in City Hall*

- **Energy Efficiency.** Energy efficiency investments are an important component of an electric utility's resource portfolio. Energy efficiency reduces facility operating costs and electric bills for customers, improves system functionality, and reduces the environmental impact of energy use. The Power Enterprise manages Energy Efficiency programs totaling \$45.1 million, including:

- \$6.1 million for the planning, design and construction of a green energy district in Civic District.
 - \$38.3 million for implementation of energy efficiency projects (lighting, heating and ventilation, energy management system and demand response projects) for General Fund Departments.
 - \$0.7 million for Funds to support on-going implementation of energy efficiency projects at the Port of San Francisco tenant program pilot
- **Treasure Island.** The Cooperative Agreement discussed in the Water Enterprise's Renewal Program also requires the SFPUC to provide utility operations and maintenance services at Treasure and Yerba Buena Islands for the electrical and natural gas utility systems.

The SFPUC has developed a work plan for creating a public power utility on each of the islands. The electric redevelopment projects included in the work plan, together with safety and lighting improvements, total \$24.6 million.

3. Emerging Needs

The need or amount of capital investment required to meet the following emerging needs are not funded in this year's plan but will be reviewed in the subsequent year's capital plan as additional planning and uncertainty around project-specific issues are resolved.

- **Civic Center Sustainable Resource District.** This initiative will transform the city's Civic Center into a sustainable resource district that maximizes energy and water efficiency, reduces waste, and increases the use of wastewater. Sustainable strategies will be implemented on the Civic Center's buildings and public spaces to provide measurable and replicable results for cities worldwide and create a global center for educating the public on sustainable concepts.

The initiative will require extensive planning and is still taking shape. However, projects that can be implemented quickly and already have available funding – energy efficiency retrofits, solar roof installations, and water conservation fixture installations – will be accelerated.

The first buildings planned for energy efficiency and solar installations are City Hall and the Main Library. Bill Graham Auditorium, Asian Art Museum, and 101 Grove (DPH's Administration Building) are currently being evaluated with planned implementation to begin during FY 2009 – 2010. The SFPUC budgeted \$7.2 million this year for the energy evaluation of all five buildings and implementation of the

energy projects at City Hall and the Main Library.

In addition to the energy efficiency projects described above, the water use strategy will combine improvement in fixture efficiencies and a policy of matching quality to demand so that potable water is used only where required. About 80 percent of demand – including irrigation, toilet flushing, and cooling towers – does not require potable water and will be supplied by rooftop rainwater and stormwater runoff.

Infrastructure and Streets

SPENDING PLAN		FY2010	FY2011	FY2012	FY2013	FY2014	FY 2015- FY 2019	PLAN TOTAL	BACKLOG
DPW: Streets & ROW									
State of good repair renewal - Streets & ROW		244,508	26,171	27,573	28,754	28,078	313,662	686,846	593,022
Public Right-of-Way transition plan improvements		36,033	967	1,008	1,051	1,096	35,988	76,143	
Enhancements - Streets & ROW		222,300	923,700					1,146,000	562,952
Total Water Enterprise		222,049	952,434	271,656	170,513	63,343	233,103	1,913,098	
Total Wastewater Enterprise		141,359	155,625	1,412,230	193,006	238,252	1,364,865	3,505,337	
Total Hetch Hetchy Enterprise (Water & Power)		52,182	79,491	84,645	127,000	53,709	358,609	755,636	
TOTAL		918,531	2,138,387	1,797,112	518,324	384,478	2,306,227	8,063,060	1,155,974
REVENUES									
Local		791,280	1,701,976	1,767,367	479,691	360,953	2,118,883	7,220,149	
Federal		80,552	20,752	3,252	3,252	3,252	10,000	121,061	
State		46,699	415,660	26,493	25,371	16,349	98,799	629,370	
TOTAL		918,531	2,138,387	1,797,112	508,314	380,554	2,227,682	7,970,581	
Total San Francisco Jobs/Year*		6,613	15,396	12,939	3,660	2,740	16,039	57,388	
*This is the equivalent of job years, which are defined as one year of full-time work (e.g. Three people employed for five years = 15 job years).									
TOTAL SURPLUS / (DEFICIT)					(10,010)	(3,924)	(78,545)	(92,479)	
To be funded with debt, additional revenues, and/or deferring expenditures									

Departmental Breakdown

Streets & Rights-of-Way

Program / Project	FY2010	FY2011	FY2012	FY2013	FY2014	FY 2015- FY 2019	PLAN TOTAL	BACKLOG
State of good repair renewal - Need	56,870	60,015	63,263	66,037	68,636	373,952	708,701	
<u>SPENDING PLAN</u>								<u>DEFERRED</u>
Current backlog								438,949
Roads								44,189
Recreation & Park Roads								28,576
Street Structures								29,968
Street Resurfacing	178,403	19,517	20,397	19,320	20,340	228,743	486,721	
Street Structures	37,127	1,252	1,252	1,252	1,252	25,029	67,165	15,922
Sidewalk Repair	25,586	1,897	1,978	2,062	2,150	28,441	62,113	10,112
Street Tree Maintenance	2,115	2,131	2,379	2,635	3,113	23,286	35,658	15,901
Street Tree Replacement & Establishment	1,123	1,152	1,317	1,207	884	5,364	11,046	5,865
Irrigation Repairs	254	222	250	279	339	2,799	4,143	3,541
Curb Ramp Improvements	36,033	957	1,008	1,051	1,096	35,988	76,143	
Better Streets Plan Implementation	71,500						71,500	
Isais Creek Bridge Seismic Retrofit and Repairs	52,000						52,000	
Doyle Drive Replacement Project	95,300	923,700					1,019,000	
Great Streets Program								
Irrigation Upgrades								
Utility Undergrounding								
TOTAL	502,941	950,837	28,581	27,805	29,174	349,650	1,888,989	1,394,964
REVENUES							869,989	
Local - General Fund	11,478	1,663	2,021	2,107	2,231	90,473	109,973	
Local - GO Bond*	309,000						309,000	
Local - Capital Planning Fund								
Local - Gas Tax COPs	24,826						24,826	
Local - Proposition K	5,272	5,393	5,589	5,789	5,982	33,106	61,141	
Local - Other Sources**	1,114	1,169	1,286	1,286	1,350	117,272	123,418	
Federal	40,252	3,252	3,252	3,252	3,252	10,000	63,261	
State	15,699	15,699	16,493	15,371	16,349	98,799	178,370	
Doyle Drive Revenues	95,300	923,700					1,019,000	
Local	24,000	526,200					550,200	
Federal	40,300	17,500					57,800	
State	31,000	380,000					411,000	
TOTAL	502,941	950,837	28,581	27,805	29,174	349,650	1,888,989	
Total San Francisco Jobs/Year	3,621	6,846	206	200	210	2,517	13,601	

* Although not itemized above, bond issuance costs are included in the Nov. 2009 Road Repair and Safety Improvements G.O. bond total.

** Local - Other Sources includes the proposed dedicated funding source for street resurfacing.

SFPUC: Water Enterprise						
Program / Project	FY2010	FY2011	FY2012	FY2013	FY2014	FY 2015- FY 2019
REGIONAL SPENDING PLAN						
Water System Improvement Program		909,500	230,200	112,700		1,252,400
Storage		500	500	500	500	2,500
Watershed/Right of Way Management	500	1,000	1,000	1,000	1,000	14,000
Treatment Facilities	1,000	8,000	34,000	34,000	34,000	50,719
Water Conveyance	7,000	3,700	3,700	3,700	700	16,119
Facilities Maintenance	3,700	922,700	238,400	141,900	36,200	80,838
TOTAL	12,200	922,700	238,400	141,900	36,200	1,432,238
LOCAL SPENDING PLAN						
Water Conveyance /Distribution System	22,348	23,241	24,171	25,138	26,143	147,265
Pump Stations						268,306
Meter Replacement	36,001	2,243	2,310			40,554
Security	500	1,000	1,000	1,000	1,000	5,000
Treasure Island	3,800	3,250	5,775	2,475		15,300
525 Golden Gate	147,200					147,200
TOTAL	209,849	29,734	33,256	28,613	27,143	152,265
WATER ENTERPRISE TOTAL	222,049	952,434	271,656	170,513	63,343	233,103
REVENUES						
COPs/Rent Savings	130,600					130,600
Revenue Bonds 2	2,399	917,499	235,020	134,470	25,498	13,530
Revenue	36,449	32,692	34,326	36,043	37,845	219,573
Other - Lease Financing	36,001	2,243	2,310			40,554
Other - Surplus Property Sale	16,600					16,600
TOTAL	222,049	952,434	271,656	170,513	63,343	233,103
Total San Francisco Jobs/Year	1,599	6,856	1,956	1,228	456	1,678
						13,774
SURPLUS / (DEFICIT)						
To be funded with debt, additional revenues, and/or deferring expenditures						

SFPUC: Wastewater Enterprise

Program / Project

FY2010

FY2011

FY2012

FY2013

FY2014

FY2015-
FY 2019

PLAN
TOTAL

SPENDING PLAN

Wastewater Master Planning							
Odor Control	6,200	3,200	1,000	800	10,781	161,193	5,000
Treatment Facilities	32,624	87,545	1,126,053	123,672	127,597	537,505	184,118
Pump Stations	8,950	15,250	505	505	1,009	30,780	2,034,996
Sewer/Collection System	91,450	48,500	281,590	64,642	98,865	635,387	56,999
Treasure Island	2,135	1,130	525				1,220,434
TOTAL	141,359	155,625	1,412,230	193,006	238,252	1,364,865	3,505,337

REVENUES

State		20,000	10,000	10,000			40,000
Revenue Bonds - 5-yr CIP ²	41,000						41,000
Revenue Bonds - Master Plan/Other ²	66,609	115,625	1,381,230	160,956	215,100	1,230,535	3,170,055
Revenue	33,750	20,000	21,000	22,050	23,152	134,330	254,282
TOTAL	141,359	155,625	1,412,230	193,006	238,252	1,364,865	3,505,337
Total San Francisco Jobs/Year	1,018	1,121	10,166	1,390	1,715	9,827	25,238

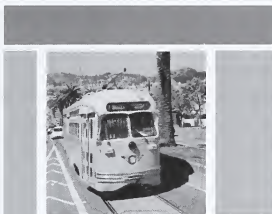
SURPLUS / (DEFICIT)

To be funded with debt, additional revenues, and/or deferring expenditures

SFPUC: Hetchy Power & Water

Program / Project	FY2010	FY2011	FY2012	FY2013	FY2014	FY 2015- FY 2019	PLAN TOTAL
SPENDING PLAN							
Hetchy Power							
Streetlighting		4,200	23,530	10,590	5,579	20,959	64,858
Transmission/Distribution	1,000	4,670	3,515	61,930	300		71,415
Generation	7,501	9,070	9,250	8,830	8,830	44,150	87,631
Energy Efficiency	8,781	8,351	7,000	7,000	6,000	8,000	45,132
Treasure Island	2,700	9,550	8,650	3,650			24,550
Hetchy Power Total '1	19,982	35,841	51,945	92,000	20,709	73,109	293,586
Hetchy Water							
Communications/Security/Miscellaneous	4,000	4,000	500	500	500	500	10,000
Reservoirs/Dams	2,000	2,000	2,000	2,000		37,500	45,500
Water Transmission	6,000	11,000	16,000	20,000	24,000	216,000	293,000
Power Infrastructure	16,700	22,150	11,700	8,000	6,000	15,000	79,550
Buildings/Roads/Right of Way	3,500	4,500	2,500	4,500	2,500	16,500	34,000
Hetchy Water Total '1	32,200	43,650	32,700	35,000	33,000	285,500	462,050
Hetchy Enterprise Total '1	52,182	79,491	84,645	127,000	53,709	358,609	755,636
REVENUES							
Revenue Bonds/Joint Water Assets ²	6,500	10,100	15,430	15,430	15,430	99,400	162,290
Revenue	45,682	59,391	69,215	41,560	34,355	180,664	440,867
Other - Third Party Financing				60,000			60,000
TOTAL	52,182	79,491	84,645	116,990	49,785	280,064	663,157
<i>Total San Francisco Jobs/Year</i>	<i>376</i>	<i>572</i>	<i>609</i>	<i>842</i>	<i>358</i>	<i>2,016</i>	<i>4,775</i>
SURPLUS / (DEFICIT)				(10,010)	(3,924)	(78,545)	(92,479)
To be funded with debt, additional revenues, and/or deferring expenditures							





Section 5 | Transportation

A.	San Francisco Municipal Transportation Agency	93
B.	San Francisco International Airport	103
C.	Interagency Initiatives	110
D.	Financial Schedules	114

V. Transportation

The City owns and operates the eighth-largest public transportation system in the United States and one of the world's 30 busiest airports. The San Francisco Municipal Transportation Agency (SFMTA) consists of the Municipal Railway (Muni) and the Division of Parking and Traffic. The SFMTA Board of Directors also serves as the Parking Authority, regulates taxi services, and oversees bicycle/pedestrian planning and design. Within San Francisco, the SFMTA maintains and operates 9 subway and 24 surface light rail stations; 6.6 miles of subways and tunnels; 71.5 revenue track miles for rail operations and 8.8 miles of track miles for cable car operations; 219.9 miles of overhead wires; a rolling stock of nearly 2,000 buses, light rail vehicles, trolley coach buses, cable cars, historic street cars, paratransit vans, and other support vehicles; 40 off-street parking garages and lots; 19 operational, maintenance and administrative facilities; 25 power substations; and numerous traffic signals, signs, parking meters, bike lanes, duct banks, and transportation information and communications networks.

In unincorporated San Mateo County, the San Francisco International Airport occupies approximately 5,171 acres, almost half (2,383 acres) of which has been developed for Airport use. The Airport includes four runways, 78 operational gates, four terminal buildings, 32 miles of roadways, five parking garages, the AirTrain transit service, a rental car facility, leased cargo and maintenance facilities, a waste treatment plant, and more than 274 miles of pipelines, ducts, power, and pump stations for water, sewage, storm drainage, industrial waste, gas, electrical, and telecommunications distribution systems.

San Francisco is also a member (along with San Mateo and Santa Clara counties) of the Peninsula Corridor Joint Powers Board (JPB) which operates Caltrain. Caltrain operates seven days a week, with 29 locomotives and 110 passenger cars serving 32 stations along the 77.2-mile route between San Francisco, San Jose and Gilroy. Within San Francisco, the JPB maintains ten bridges, 5 tunnels, one layover facility, and several miles of rights of way, signalization, and communications systems.

Highlights & Accomplishments

In the last year, the SFMTA opened the 13-acre Metro East light rail maintenance/storage facility and substantially completed the Transit Effectiveness Project (TEP): an 18-month effort to comprehensively review and evaluate the current Muni transit system. In October 2008 the SFMTA Board endorsed the TEP service restructuring recommendation.

Over the next ten years, the SFMTA expects to complete the Central Subway (a 1.7-mile extension of the Third Street Light Rail Project linking Visitación Valley with Union Square and Chinatown); design and implement a series of Transit Preferential Streets projects; relocate a new motor coach facility at Islais Creek; implement a series of intelligent transportation system improvements (including NextMuni, SFgo, SFpark, and Translink); and continue its efforts to upgrade and replace its rolling stock, rail lines, overhead wires, radio systems, and traffic signals.

The Airport is proceeding with a Domestic Terminal Redevelopment Plan (DTRP) to address the long-term needs for domestic terminal facilities at Terminals 1 and 2. In December 2008, the Airport completed the first phase of a \$383 million conversion of Terminal 2 Boarding Area D. Scheduled to be completed by February 2011, the Terminal 2 renovation project will convert the existing 10-gate international widebody terminal to a 14-gate domestic narrowbody terminal.

The City also expects to complete a number of interagency and inter-regional projects including the design and construction of two dedicated Bus Rapid Transit lanes along Van Ness Avenue and Geary Boulevard; the electrification of Caltrain for high-speed rail; and the replacement of the outmoded Transbay Terminal at 1st and Mission Streets downtown. In December 2008 the City, Caltrans, and the Transbay Joint Powers Authority broke ground on the temporary facility that will serve bus passengers while the new landmark Transbay Transit Center is under construction.

A. San Francisco Municipal Transportation Agency



San Francisco Municipal Transportation Agency

The San Francisco Municipal Transportation Agency (SFMTA) has a number of short and long-term processes in place to prioritize and manage the capital planning process, including the Agency's Strategic Plan, this citywide Capital Plan, the 20-year Muni Short Range Transit Plan, a 25-year program used for the San Francisco Bay Area Regional Transportation Plan, a 22-year federally required plan for the Central Subway New Starts Criteria Report, and a 40-year Capital Asset Management System under development.

These plans help prioritize the approximately 320 capital projects planned over the next decade into a sophisticated ranking system with four primary categories: Mission Critical (meeting core system performance and service goals), Asset Preservation (replacement and rehabilitation of existing assets), Transportation Initiatives (particularly those associated with funding initiatives from federal, state, regional, and local governing bodies), and Mission Development (new services or system enhancements).

The Capital Investment Program (CIP) is the set of projects and initiatives that SFMTA plans to undertake to replace, rehabilitate, enhance or expand system assets. The CIP is organized into the following programs:

- **Fleet.** The rehabilitation and replacement of vehicles includes both Muni revenue vehicles used to transport passengers (motor coach, trolley coach, light rail, historic streetcar, cable car, and paratransit) and non-revenue vehicles used to support the revenue fleet and system infrastructure, including parking and traffic functions.
- **Infrastructure.** Including the rehabilitation, replacement and modification of tracks, communications, signals, overhead, subway, stations, and cable car systems as well as ADA-mandated Key Stops, accessibility improvements, and transit preferential streets.
- **Facilities.** Including development and management of indoor and outdoor space for the operations, maintenance, administration, and storage needs required to support SFMTA operations. SFMTA is in the process of developing a Capital Improvement Plan (CIP) and an Asset Management Plan (AMP) that will improve and preserve the 40 parking facilities currently managed by SFMTA.
- **Equipment.** This program provides for the replacement and acquisition of such devices as rail grinders, video cameras, computers, and other tools needed for



Muni is the largest public transportation system in the region (based on ridership), the eighth-largest in the United States and one of the most diverse in the world.

the continued operation of SFMTA's operating, maintenance, and administrative functions.



- **Other Projects.** A limited number of projects do not fit into the CIP programs described above, including: graffiti prevention, safety, security, Transbay Terminal replacement, and Treasure Island Ferry Terminal. For the latter two projects, the SFMTA serves only as a federal funding pass-through agency. They are covered in more detail in other chapters of this Plan.

Proposition A amended the City Charter to increase General Fund support for the SFMTA and granted increased authority to issue bonds and set fares, fines, and fees.

SFMTA's total capital need is \$7.57 billion dollars over the ten-year period. This need far outstrips the projected capital revenues of \$5.14 billion dollars, leaving a projected shortfall of \$2.43 billion dollars over the ten-year period. The SFMTA is undertaking a number of strategies to address the projected shortfall including new initiatives facilitated by the passage of Proposition A in November 2007, operating revenue-generating strategies such as advertising and increased fees, and the opportunity to issue bonds in the near future. If additional revenues fail to be generated, some discretionary projects may need to be deferred beyond the 10-year horizon of this plan.

1. Renewal Program

The SFMTA has initiated a Capital Asset Management Program. The goal is to identify all assets owned and used by SFMTA today, determine their lifecycle and identify any existing gaps, and use this information to define which assets may be leveraged or developed to support SFMTA's current and future operations. This new concept integrates asset management and inventory concepts with capital planning, capital investment, capital budgeting, and capital project prioritization concepts. This will cover all types of capital assets, such as public transit and parking facilities, stations, rail/track/guideways, fleet, systems, and equipment.

In the next ten years, Muni will have the funding needed to perform the majority of the renewal and repair projects needed to maintain the current service level. Highlights of these projects include: ongoing cable car renovation and historic vehicle rehabilitation, the beginning of the next motor coach and trolley coach replacements, replacement of fareboxes, purchase and installation of wayside fare collection systems including Translink compatibility, rail replacement projects, overhead line rehabilitation, expansion of the NextMuni automatic vehicle locator service, numerous facility safety improvements, replacement of the maintenance lifts at Flynn Yard, and studies of

access improvements for the Balboa Park and Glen Park station areas.

Parking and Traffic renewal and repair programs for various signal, sign, and striping projects have annual Proposition K funding of \$4.7 million. These local sales tax funds will support maintenance and upgrades of signals and other traffic control devices, including new mast arms, wiring for pedestrian signals, raised flashing pavement lights, transit lane markings, bike facility markings and signs, and some replacement of red light photo enforcement equipment.

Major Renewal Program initiatives include:

- **Fleet Replacement Projects.** The SFMTA recently completed the purchase of 56 standard (40') diesel-electric hybrid coaches and the purchase of 30 small (30') diesel-electric hybrid coaches. The next motor coach procurement is scheduled to go into service in 2013. The Trolley Coach Replacement in FY 2002 and FY 2003 replaced 295 Flyer standard trolley coaches with 33 articulated and 240 standard coaches from Electric Transit Inc. The LRV fleet consists of 151 Breda vehicles put into service starting in 1997.
- **Traffic Signal Replacement Projects.** This program provides for the replacement and upgrade of obsolete or deteriorated signal hardware for over 1100 signalized intersections, including controllers and foundations, vehicle and pedestrian signal heads, poles, conduit, pull boxes, wiring and loop detectors. Additional programming goals include modifying signal operations to improve safety and efficiency, and installing mast arms to improve visibility. To date, approximately 330 signals have been completely rebuilt.
- **Overhead Line Reconstruction/Replacement Projects.** The major element of this program is the reconstruction of the Overhead Catenary System (OCS) in the Metro Subway and replacement of trolley wires, overhead special work, and deteriorated trolley poles. Modifications on the OCS include replacement of contact wires, messenger wires, hangers, section insulators, and installation of registration arms and associated OCS hardware, rebuilding 21 existing circuit breakers and implementing trip units at the traction power substations. The trolley overhead line program also includes construction of new duct-bank and manholes and undergrounding of the existing deteriorated traction power system.
- **Rail Replacement Projects.** The purpose of this program is to keep rail for light rail and historic streetcar operations safe and operational. One key project will replace worn out special track work for K and M Lines at the intersection of St. Francis Boulevard, Sloat Boulevard, Junipero Serra Boulevard, West Portal Avenue, and



One of 86 new diesel-electric hybrid buses purchased in 2007.

Portola Drive. The replacement of special track work includes a single crossover on West Portal Avenue, two turnouts, and one diamond crossing. The exclusive K-Line tracks north of the single crossover on Junipero Serra Boulevard and the tangent tracks within the intersection will also be replaced due to their deteriorated condition.

- **Central Control and Communications (C3) Program and Radio Replacement Project.** The C3 program includes the upgrade and eventual replacement of the outdated Transit Operations Control Center. This effort includes improvements to both the facility and communications/security/transit management equipment. Muni's existing voice and data radio systems are out-of-date and in urgent need of complete replacement. For transit and security purposes, communication between the fleet, Central Control as well as police, fire and security is critical. Muni has embarked on a program to replace its obsolete system with a state-of-the-art wireless communications system that will include mobile and handheld radios, mobile data terminals and interface from new mobile radios to vehicle on-board power, control and communications systems.
- **Cable Car Infrastructure Rehabilitation.** Cable car infrastructure (such as rail, cables, motors, and vehicle detectors) need to be renewed and replaced while maintaining the historic integrity of the system. Three key projects now underway include: propulsion system controller replacement for the entire system, inspection hatch cover replacement, and California Street Line replacement of the communication/data cable and related essential maintenance work.
- **Wayside Train Control Program.** These projects are key safety initiatives. The Advanced Train Control System (ATCS) replaced the fixed-block signal system in the Muni subway with advanced moving-block technology and centralized train control capability, while providing platform and on-board announcements of approaching trains and stations. Other key current projects are improving signals at St. Francis Circle, in the Sunset Tunnel, and at Church and Duboce.

2. Enhancement Program

Major capital projects that will expand or enhance current assets and the current level of service priority enhancement needs for the SFMTA include:

- **Central Subway.** Third Street Light Rail Phase 2. With the completion of Phase 1 in April 2007, the Central Subway is the top priority transit project for San Francisco and one of the largest capital projects in the Capital Plan. The project will extend the

Third Street light rail line 1.7 miles along Fourth Street, entering the Central Subway near Bryant, crossing beneath Market Street, and proceeding under Stockton to Chinatown. The current approved alignment recommends three underground subway stations located at Moscone Center, Market Street/Union Square and Chinatown, plus a surface stop at Fourth and Brannan Streets. The Central Subway is projected to open in 2017 and carry over 77,000 daily riders by 2030. During 2008 the project's environmental document was certified, and a Record of Decision granted by the Federal Transit Administration: a significant milestone in moving from preliminary engineering to the design phase..



Track replacement near West Portal Station

- Metro East Light Rail Vehicle Facility.** This new facility is for the storage, maintenance, and operation of up to 80 Muni light rail vehicles. It is needed to support the new Third Street Light Rail line and to relieve overcrowded conditions at Green Division, Muni's other light rail maintenance facility. The facility is located on a 13-acre parcel bounded by 25th Street, Illinois Street, Cesar Chavez Street and Louisiana (part of the former Western Pacific Railroad site). The facility was constructed to store 80 LRV's. Although substantially completed and partially occupied, specialized equipment is needed to provide the full range of vehicle maintenance services.
- Islais Creek Motor Coach Maintenance Facility.** Muni plans to replace the Kirkland Motor Coach Division (built in 1950) with a new motor coach facility along the shores of Islais Creek. The Islais Creek yard will be located on 8 acres of land between Cesar Chavez Street, Indiana Street, I-280, and Islais Creek. The new bus yard will include parking for 165 of Muni's 40' alternative fuel vehicles and 19 non-revenue vehicles, and three buildings for 16 service bays, plus facilities for operations and maintenance, administration, fuel and wash. Also, Muni's alternative fuel vehicles are expected to be stored, operated and maintained at the Islais Creek facility. Other key projects include replacement of the trackwork at the Green light rail yard and near Duboce and Church.
- Transit Preferential Streets (TPS).** Design and implement a variety of low- to medium-cost treatments to improve transit vehicle flow. Elements include exclusive or semi-exclusive transit lanes, colored or textured surface treatments, signal timing priority for transit vehicles, bus bulbs, stop respacing and relocation, and replacing stop signs with signals. Priority corridors include Market Street, 19th Avenue, Potrero, Outer Mission, Stockton, and Geneva. In mid-2008, the Geneva Avenue TPS project was initiated.
- NextMuni.** Significant progress was made on completing the installation of the Automated Vehicle Locator (AVL) system, also known as NextMuni. Installation of



Muni Metro East Light Rail Vehicle Facility

vehicle tracking equipment was completed in all buses, trolleys, LRVs, historic fleet and cable cars. The SFMTA recently contracted to expand the system with 367 additional information display signs and other enhancement work. This program also allows the customers to access vehicle arrival and departure information both on the internet at www.nextmuni.com and through cellular telephones.

- **Sfgo Program.** SFgo is a citywide intelligent transportation management system that will gather real-time information on current traffic flow and congestion, process and analyze this information, respond to changes in roadway conditions, provide transit signal priority, and disseminate information to the public. It will significantly improve existing obsolete and deteriorating traffic signal communications facilities and implement various Intelligent Transportation System (ITS) technologies to improve the overall effectiveness of the transportation system.
- **TransLink.** The Metropolitan Transportation Commission (MTC), the Bay Area's regional transportation planning agency, and the Bay Area's transit operators are working together as the TransLink Consortium to implement the TransLink system regionwide. The TransLink card will keep track of stored value, automatically deducting the correct fares, transfers, and discounts. Translink will allow MTA to replace its many paper passes and other fare media with this smart card technology. In late 2008 TransLink entered beta testing, allowing a limited number of passengers to help test the system, as well as issuing TransLink cards to SFMTA employees to serve as part of the trial user group. SFMTA is also exploring a TransLink application at key parking garages, offering another method of payment to the garage patrons
- **SFpark.** SFpark is an SFMTA initiative that will use technology and variable pricing to improve the management of the City's limited parking supply. A major goal of SFpark is to reduce congestion and pollution associated with circling for parking. San Francisco will be the first city to implement a full array of parking management techniques and technologies. Elements include: new parking meters that will accept credit/debit cards, in-pavement sensors that will provide real-time data on parking usage, demand-responsive pricing, and driver information about available parking.
- **Pedestrian and Traffic Calming Projects.** Pedestrian improvements that are committed within the next decade include repair or reconstruction of curb ramps on the path of travel to key Muni stops and stations, expansion of the accessible (audible) pedestrian signal program, and installation of additional pedestrian countdown signals. Traffic calming projects install devices such as speed humps and traffic circles to slow traffic and discourage neighborhood cut-through traffic. Curb bulb-outs and other safety improvements are also funded near several schools.



TransLink smart card technology

3. Deferred Projects

Unless additional funding can be secured, a number of important capital projects will be deferred in the next ten years. There are also a number of efforts underway that will help the Agency to better identify and plan for its capital needs. Federal economic stimulus aid may help, but will be insufficient. Potential deferred projects include:

- **Mid-life Rebuilds of the Fleet.** Motor coaches, trolley coaches, and light rail vehicles all require mid-life rebuilds in order to attain the required usable life and maintain adequate vehicle availability throughout that period. The total estimated cost, deferred in the past and through the next 10 years, is approximately \$500 million. Funding priorities for federal transit capital dollars in the region do not give priority for midlife rebuilds, and funding availability is questionable.
- **Shop Equipment Program.** Deferred need for the acquisition and replacement of the equipment needed to support all aspects of Muni's operations and maintenance functions. A significant backlog of equipment needs exists due to the lack of capital grants available for equipment replacement. The need over the next five years is forecast at \$22 million, with limited funding available, leading to a shortfall of \$15 million.

Parking and Traffic also has several significant projects that will be deferred in whole or part due to a lack of full funding. These include:

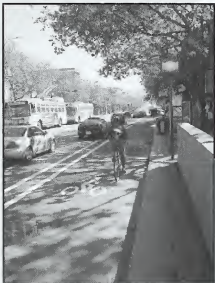
- **Relocation of the Sign Shop and Paint Shop.** Both of these facilities are aging rental properties and there would be long term savings and efficiencies if they were relocated to property owned by SFMTA.
- **Relocation or remodel of the Parking Meter Shop.** Currently located in City-owned property with significant deferred maintenance.
- **Signs, Signals, and Striping.** Although funding from Prop K is available for some programmatic repair and maintenance, significant sign and striping needs are unfunded.

4. Emerging Needs

In addition to the Capital Asset Assessment mentioned previously, there are a number of other efforts underway that will help the agency to better identify and plan for its capital needs. These include:



- **Transit Effectiveness Project (TEP).** The TEP is an 18-month project to review, evaluate, and make recommendations on the existing Muni transit system, with the goal of making service more attractive to the public and lowering operating costs. On October 21, 2008, the SFMTA Board endorsed TEP service recommendations to address the challenges of changing travel patterns, increasing costs, and operational and physical constraints that affect on-time performance. It has been over 25 years since the last comprehensive review of San Francisco's transit system. While the focus of the plan is on mid-range improvements (3-7 years in the future), recommendations were also made for short-term actions. The TEP is also analyzing additional capital needs, such as changes to the type and size of vehicle fleets, which will be incorporated into the capital program as they are developed. Over the next year, the SFMTA will integrate about \$200 million in basic capital projects recommended by the TEP into the overall Capital Investment Program. Over half of this total would be devoted to stop enhancements (e.g., shelters and passenger information) and bus infrastructure (especially trolley overhead wiring).



Bicycle lane on Market Street

- **Traffic Calming Program.** Addresses the ever-growing concerns of competing street users by increasing traffic safety, with special attention given to non-motorized users. Traffic calming attempts to reduce the negative impacts of auto traffic by redesigning streets and sidewalks, without limiting mobility or impeding public transportation. Traffic calming measures include sidewalk bulb-outs, traffic circles, and speed humps.
- **Bicycle Access.** The Bicycle Plan is a guide to providing a safe and attractive environment in which to promote bicycling as a transportation mode. The Bicycle Plan includes a policy document; incorporates new design guidelines for a wide range of bicycle facilities; and a revised Bicycle Route Network that emphasizes expansion and refinement of the existing Bicycle Route Network. Due to a court injunction, the Bicycle Plan and any related physical improvements have been put on hold, pending environmental review. The November 2008 release of the Draft Environmental Impact Report for the Bike Plan is a major step toward lifting the injunction. The SFMTA is preparing for rapid implementation of some 60 bike projects after environmental clearance and lifting of the injunction, possibly starting in mid-2009.
- **Pedestrian Safety.** SFMTA's Pedestrian Program promotes safety and convenience for walkers, develops new policies and tests a number of innovative technologies and approaches to further these goals. San Francisco was the first city to receive

federal approval for the citywide use of pedestrian countdown signals, now operating at 986 intersections (out of 1166 signalized intersections) and expected to increase. San Francisco was one of three cities chosen nationally for a special federal grant to test “cutting edge” technologies to improve pedestrian safety in a recently completed project. San Francisco increased pedestrian crossing time to allow for slow walkers. Other projects include testing flashing in-pavement crosswalk lights, adding and improving pedestrian refuge areas including signs in roadway medians reminding motorists to yield, and citywide conversion of crossing warning signs to brighter fluorescent versions. The SFMTA and several other agencies released the *Draft Better Streets Plan* in June 2008. This is an innovative effort to provide detailed design guidelines and policies toward a safer, more sustainable and accessible pedestrian environment

- **Eastern Neighborhoods Transportation Implementation Planning Study (EN TRIPS).** SFMTA is leading a multi-agency partnership with the Planning Department and the San Francisco County Transportation Authority that is expected to minimize transportation impacts by identifying key transit-oriented, pedestrian-friendly infrastructure projects consistent with the Eastern Neighborhood Area Plans. The Eastern Neighborhoods (SoMa, the Mission, Showplace Square/Potrero Hill and the Central Waterfront) will experience the majority of the City’s new residential and commercial growth over the next 20 years. The area’s combined development potential and rich transit access present a tremendous opportunity to create integrated, mixed use, transit-rich neighborhoods.

The Board of Supervisors identified a short list of priority Eastern Neighborhoods Early Start Capital Projects deemed critical to support the existing and future infrastructure needs. EN TRIPS is expected to address the following key project types: Folsom Street Redesign (including possible two-way conversion); 16th Street Corridor Transit Improvements (including the extension of the 22-Fillmore trolley line); and Townsend Street Pedestrian Improvements. The outreach and public input process for EN TRIPS will help to prioritize which key projects identified in the Eastern Neighborhoods Area Plans to address through the EN TRIPS study process.



Students leaving school cross the street via a ladder-marked crosswalk

B. San Francisco International Airport



Airport Capital Planning Process

The Airport is committed to long-term infrastructure planning and annually updates its 5-Year Capital Plan that serves as an important foundation for the 10-Year Capital Improvement & Facilities Maintenance Plan.

The continuing development and updates for these plans go through an extensive review process, involving participation from senior Airport staff, the Airport Director, the Airlines, the Airport Commission, and the Airport Financial Advisory Committee, which includes the Deputy City Controller, the Director of the Controller's Office of Public Finance, and members from the financial services industry.

Passenger Enplanements

2007/08:	18.4M
2008/09:	17.4M
2009/10:	16.8M (est.)

Passenger Growth

2007/08:	7.8%
2008/09:	(5.4 %)
2009/10:	(3.6%) (est.)

Cost per Enplanement

2002/03:	\$19.62
2007/08:	\$13.49
2008/09:	\$13.21 (est.)

Airport Commission Capital Planning Policies govern the advancement, implementation, and management of capital projects profiled in the 5-Year and 10-Year Capital Plans. The Capital Planning Policies provide strategic guidelines for the Airport capital program regarding:

- The responsibilities and authority of the Airport Commission, the City Administrator, the Board of Supervisors and the Controller's Office;
- Airline review of capital projects;
- Federal tax limitations on the use of revenue bond proceeds;
- The process for the ongoing development and updates to the Capital Plans;
- All potential sources of funding, including Bonds, Grants, Passenger Facility Charges, and other revenues;
- Management of the capital program

The FY2010 - 2019 Capital Plan continues the major efforts that were initiated in last year's plan. The Airport is advancing essential capital projects that are required to meet the needs of airlines and passengers. Because of declining air traffic and the challenges accessing capital markets, the Airport is carefully monitoring all capital project activity. The weaker economy has caused passenger enplanements to decline from a 7.78% increase in FY2007/08 to a 5.43% decrease in FY2008/09. Airport enplanements are projected to decline by an additional 3.6% in FY2009/10. The FY2008/09 cost per enplanement (CPE), the standard Airport expense metric, is forecasted to remain 33% lower than the post 9/11 FY2002/03 CPE of \$19.62.

The Airport is proceeding with a Domestic Terminal Redevelopment Plan (DTRP) to address the long-term needs for domestic terminal facilities at Terminals 1 and 2. Long-term enplanement forecasts prepared for the DTRP and the Airport's five-year financial plan indicate that new aircraft gate capacity will be required by 2011. The need for new terminal gates is triggered by (1) anticipated long-term growth in domestic passenger traffic, particularly from new airlines; (2) increases in international traffic, which will displace domestic operations that are currently accommodated in the International Terminal; and (3) the Airport's need to redevelop Boarding Area B in Terminal 1.

Projections for the 10-year period from FY 2010 through FY 2019 should be considered preliminary as Airport Commission approval is not expected until February 2009.

In 2008, the Airport embarked upon a \$383 million design-build engineering and construction project to convert Terminal 2 Boarding Area D from a 10-gate international widebody aircraft terminal to a 14-gate domestic narrowbody aircraft terminal. The renovation project includes modifications to the terminal building's interior space such as hold rooms, concession space, and baggage claim areas along with building systems and upgrades to the arrival and departure levels. Phase 1 demolition and deconstruction work was completed in December 2008. The Terminal 2 renovation project is scheduled to be completed by February 2011.



SFO Terminal 2

The FY2010 – 2019 Capital Plan includes the following five (5) new projects:

- **AOA Wi-Fi for T-1, Boarding Area C.** This project extends the existing private Wi-Fi network into Terminal 1 Boarding Area C. The wireless network will enable airlines to run baggage handling applications on portable devices to track baggage accurately for domestic arrivals and departures. The project budget is \$580,000.
- **Pre-design Activities for Terminal 1 / New Boarding Area B.** This project includes planning, predesign, preliminary engineering, and cost estimation activities for the redevelopment of Terminal 1 Boarding Area B. The project budget for these predesign activities is \$1,625,000.
- **Building 575 Improvements.** This project funds the planning, design and construction of major structural and systems improvements to Building 575. The renovated building will provide offices for SFIA administrative departments relocating from Terminal 2 prior to its completed conversion to a domestic terminal. The project budget is \$14,740,118.
- **Network Operations Center Relocation.** This project funds new and replacement equipment in the amount of \$625,000 for the relocation of the Network Operations center, which will be relocated from Terminal 2 to the Northernmost Point of Entry on the Airport grounds.

- **Pre-Conditioned Air (PCA) Installation at Domestic Terminals.** This project includes planning, design and construction of pre-conditioned air installations for 25 gates/jet bridges in Boarding Areas C, E, and F. The work includes the installation of new PCA units, mechanical and electrical infrastructure upgrades, and site improvements. The Airport is applying for federal grant funds under the Voluntary Airport Low Emissions (VALE) program to pay for up to 75% of the \$16,300,000 budgeted cost for this project.

The 10-Year, \$1.5 billion Capital and Facilities Maintenance Plan (Airport Plan) includes the following projected requirements:

- \$1.35 billion in capital improvement projects spanning the immediate ten-year period. A substantial endeavor in this category is the continuing work to complete the \$383 million Terminal 2 / Boarding Area D Renovation project, which was started in 2008.
- \$108.4 million in facilities maintenance projects to cover the cost of non-routine maintenance and repair projects over the next ten years. These needs are annually approved and funded as operating budget projects within the Facilities Division.
- \$42.9 million in deferred facility maintenance over the coming ten-year period. These items are assigned a less urgent priority and are separately identified from those in the renewal budget. Deferred maintenance items are typically re-categorized as facilities maintenance projects based upon regularly scheduled assessments for asset condition and remaining useful lives.



*New Visual Paging and Flight
Information Display Systems*

The Airport Plan identifies \$1.35 billion in capital funding sources to meet the projected ten-year infrastructure needs:

- \$38.0 million in operating funds that are dedicated to capital projects
- \$168.0 million in Passenger Facility Charges (PFCs) allocated to capital improvements
- \$380.4 million in federal and state grant funds dedicated to capital projects
- \$29.9 million in other sources including interest earnings on construction fund cash
- \$737.2 million in new revenue bonds to meet capital project and capital improvement requirements over the ten-year period. An estimated \$536.4 million in new debt will be issued between 2010 and 2014, a large portion of which will fund the Terminal 2 / Boarding Area D Renovation project.

1. Renewal Program

The Facilities Division determines Airport facility maintenance requirements using the City's Facilities Resource Renewal Model (FRRM) for buildings and general support facilities. Additionally, other systems are used to assess asset renewal life cycles for airfield support structures, pavement infrastructure, and Airport utilities.

An estimated \$108.4 million will be required to fund facilities maintenance and renewal projects over the next ten years. These repair and renewal projects are funded through each year's annual operating budget whereas enhancements and capital improvements are often multi-year endeavors that are financed with capital funds. The \$108.4 million does not include projects that are identified as deferred maintenance. Approximately \$42.9 million is identified as unfunded deferred maintenance and this amount is shown in the accompanying financial projections as a funding shortfall. Deferred maintenance is categorized as projects that are temporarily delayed based upon Airport priorities and the availability of resources.



Improvements to Airfield Taxiway 'S'

2. Enhancement Program (FY2010-2019)

- **Airfield.** \$413.0 million to overlay, reconstruct, and improve common landing areas, runways, taxiways, ramps, aprons, adjacent infield areas, and related support facilities, including:

- Airfield Improvements. \$71.8 million to reconstruct various airfield areas including Airfield perimeter security fencing, video surveillance systems, perimeter lighting and other security systems.
- Taxiways. \$30.7 million to reconstruct taxiways, vehicle service roads, aprons, upgrade / replace airfield infrastructure, and improve airfield markings.
- Airfield Capital Equipment. \$8.6 million to replace aging vehicles, generators, and other capital equipment.
- Runways. \$81.5 million for overlays and reconstruction of the four Airport runways;
- Airfield Utilities. \$60.1 million for improvements to power distribution, communications infrastructure, storm drainage system replacement/expansion, and construction of a new field lighting building; and



*New International Terminal
Gates A1, A3, A5*

- Engineered Materials Arresting Systems (EMAS) and Runway Safety Areas (RSA). \$106.4 million to design and construct runway improvements in accordance with FAA guidelines: EMAS to minimize hazards to an aircraft that passes beyond the end of a runway and RSAs to meet the recommended 1,000 foot safety zone at the end of each runway.
- Security Improvements. \$53.9 million to replace the Access Control System, expand the Security Access Office, and to construct an Airfield Operations Facility, Security Access Office, and emergency response boathouse.
- **Airport Support** \$115.8 million to expand and improve areas and facilities which support airline functions (e.g. hangars, aircraft maintenance facilities, etc.) and government installations (e.g. FAA, FBI, Post Office), including:
 - Airport Support Facility Improvements. \$77.9 million to rebuild and enhance facilities that are scheduled to be renewed.
 - Technology Systems Improvements. \$7.9 million to upgrade and replace existing technology assets that will become either physically or functionally obsolete and to expand newer technology systems that have become mainstream operating standards for conducting business.
 - Support Equipment. \$9.2 million to refurbish passenger loading bridges and to replace specialized vehicles for aircraft rescue and firefighting.
 - Americans with Disabilities Act (ADA) Improvements. \$4.0 million to address improvements for disability access and general public accommodation.
- **Landside.** \$79.7 million to rebuild, seismically reinforce, and enhance roadways and parkways, courtyards, fences, bridges, the AirTrain system, the Rental Car Center, public parking lots, and garages, including:
 - Viaduct Improvements – \$18.2 million for Phase 2 to continue reinforcement of the main roadway connecting terminals;
 - Public Parking Lot/Garage Improvements – \$16.1 million to rebuild and enhance parking facilities;
 - Roadway Improvements -- \$29.4 million to rebuild and expand Airport roadways; and reroute utilities
 - AirTrain Improvements -- \$16.0 million to upgrade and replace AirTrain system components and ancillary facilities infrastructure and equipment.

- **Terminals.** \$455.4 million to rebuild and upgrade areas within the terminal complex such as the new FAA control tower, Airport concourses, boarding areas, pedestrian bridges, lobbies, offices, baggage facilities and storage, including:

- New FAA Control Tower – \$115.2 million to replace the existing control tower that is not designed to comply with current seismic standards. The construction cost for the new tower is \$91.9 million and the demolition of the existing tower is budgeted at \$23.3 million.
- Terminal 2 Boarding Area D Renovation -- \$155.1 million to transform the old 10-gate international terminal into a modern 14-gate domestic narrowbody aircraft terminal. The project includes interior space renovations to hold rooms, concession spaces, baggage claim areas, and building systems encompassing separate arrival and departure levels.
- Terminal Facility Renovations -- \$149.0 million to upgrade terminal building systems and structures exclusive of the Terminal 2 Boarding Area D Renovation project;
- Escalator, Moving Walks and Elevator Improvements -- \$16.8 million to replace and upgrade terminal escalators, moving walks and elevators.



Terminal 3 Solar Power System

- **Utilities.** \$285.5 million to rebuild facilities for water, reclaimed water, sewage, storm drainage, industrial waste, central plan systems, telecommunications, gas and electricity including:

- Wastewater System Improvements -- \$69.8 million to replace aging drainage and sewage systems including the construction of a new industrial waste processing facility within the Mel Leong Treatment Plant.
- Central Plant Improvements -- \$51.5 million to rebuild and provide energy-efficient upgrades to central plant systems;
- Telecommunication System Improvements -- \$18 million to upgrade, replace, and expand the network of duct banks, conduits, and cabling. This project will also fund improvements to telecommunications system rooms and critical wiring sites; and
- Water Systems Improvements -- \$15 million to rebuild water system infrastructure including phased replacements for water mains.

- **West of Bayshore.** \$4.1 million to manage drainage requirements and enhance habitat in Lomita and Cupid Row canals. Located west of U.S. Highway 101, the Airport Commission has jurisdiction over this property as well as responsibility for protecting endangered species inhabiting the area.

3. Emerging Needs

A new 216-foot control tower will replace the existing FAA Control Tower at Terminal 2 that is nearing the end of its useful life and is not considered seismically stable. The location for the replacement tower is between Terminals 1 and 2, and will provide air traffic observation capabilities comparable to the existing tower. The old tower structure will be removed within six months after the completion of the new tower. The Airport has been working closely with the FAA and will enter into a Construction Leaseback Program (CLP) to expedite this project. Under the CLP, the Airport will initially finance the design and construction of the new control tower. The Airport will be the builder and project owner. Upon project completion, the Airport will lease the new tower to the FAA at a rate that amortizes up to 100% construction costs over a 20-year period. Construction is expected to begin by 2014. The 10 year Plan identifies the construction cost for the new FAA control tower as \$91.9 million. An additional \$23.3 million is required for the demolition of the existing control tower.

The 1989 SFO Master Plan proposed the redevelopment of Terminal 1, Boarding Area B due to the age and condition of the facility. The ongoing maintenance requirements of the building and associated building systems are significant due to the continued settlement of the 1960's-era boarding area. While the Airport has maintained the boarding area and made capital investments to keep the facility operational over the last ten years, Terminal 1 and Boarding Area B are accommodating many more passengers than they were designed to handle and passenger level of service is expected to deteriorate as long-term domestic traffic levels increase.

In 2007, the Airport initiated a planning study for the redevelopment of Terminal 1. Through the first phase of planning, the Airport has identified a preferred alternative for the redevelopment of the terminal building and Boarding Area B. The proposed terminal layout will provide improved passenger processing facilities (e.g., ticketing, security screening, holdrooms, and baggage claim areas), airline support facilities, and aircraft operating environment (including improvements to taxi lane layouts in the vicinity of the terminal boarding areas to improve the operational capability of the Airport and reduce aircraft delays). It is anticipated that the redevelopment of Terminal 1 would be initiated following the completion of the Terminal 2 renovation project.

C. Interagency Initiatives



The SFCTA administers the Proposition K half-cent local transportation sales tax program, passed by 75% of San Francisco voters in November 2003.



*Computer Rendering of Proposed
Van Ness Avenue Bus Rapid Transit*

Retaining and expanding transit's share of travel in San Francisco is a major strategic challenge for the city as it grows into the future. In addition to MTA bus, trolley, cable car, and light rail service, this requires coordination and planning with a number of regional transportation authorities including the San Francisco County Transportation Authority (SFCTA), the Peninsula Corridor Joint Powers Board (Caltrain), and the Transbay Joint Powers Authority (TJPA). Major interagency capital projects include implementation of Bus Rapid Transit along Geary Boulevard and Van Ness Avenue, maintenance and operation and improvement of Caltrain, and the rebuild of the Transbay Terminal.

Bus Rapid Transit (BRT)

The City's 2004 Countywide Transportation Plan helps to implement San Francisco's Transit First Policy by funding cost-effective Bus Rapid Transit (BRT) treatments on the city's network of Transit Preferential Streets (TPS, see map on previous page).

BRT is a new mode of transit for San Francisco, developed to deliver many of the benefits of light rail at lower cost with buses. It is a high-quality transit service that reduces travel time, increases reliability, and improves passenger comfort primarily by giving the bus an exclusive lane so it can operate faster and more reliably. Key components of a BRT system include: dedicated lanes or exclusive guideways; modern, low-floor, high-capacity buses; high quality bus stops; streetscape improvements and amenities; improved fare collection; and advanced transit and traffic management systems such as signal priority and real-time information systems.

The SFCTA, in partnership with SFMTA, is currently conducting environmental studies for two BRT projects—Van Ness Avenue and Geary. Van Ness Avenue is a key north-south spine in San Francisco's transit system while the Geary corridor is the most heavily used transit route in northern San Francisco with approximately 50,000 daily riders. Neither line operates quickly or reliably enough to provide rapid travel and effective connections, either to other MUNI routes or regional services such as Caltrain and BART.

The environmental review of the Van Ness BRT project includes analysis of the replacement of the decorative light poles on Van Ness Avenue, as these poles are nearing the end of their useful life and may be affected by the potential BRT project. While the SFCTA is addressing the environmental review of the project, the design, funding and implementation of the project is a shared effort between SFMTA and SFPUC.

Improvements on Van Ness and Geary have been prioritized for funding through the 2003 voter-approved transportation sales tax measure (Prop K) and the 2005 Prop K Strategic Plan. Following environmental review of each project, final design could be undertaken, with BRT service on Van Ness beginning as early as late 2012.

Caltrain

Along with San Mateo and Santa Clara counties, San Francisco is a representative member of the Peninsula Corridor Joint Powers Board (JPB) which operates and maintains Caltrain. According to the 1996 Joint Powers Agreement, funding for system-wide capital improvements are shared equally among the three members, while local improvements are, in general, borne by the County partner in which the improvements are located.



Conceptual rendering of a Caltrain rapid electric rail locomotive

As provided for in the following worksheet, the total estimated cost for the ten-year JPB Capital Improvement Program (CIP) is \$2.09 billion. This includes basic maintenance and renewal costs as well as major enhancements such as the conversion to an electrified system and signal upgrades.

1. Renewals

San Francisco's share for matching and/or funding system-wide improvements, excluding electrification, is anticipated to be \$50.6 million over the ten year term of the Plan. In addition, the JPB is seeking a one-time local match of \$1.725 million from San Francisco in FY 2009 for an estimated \$18 million project to replace three San Francisco bridges at 22nd, 23rd and Paul Avenues. The matching funds will leverage close to \$16 million in federal grants. These three San Francisco bridges were given low sufficiency rating by the California Department of Transportation (Caltrans), have reached the end of their useful lives, and are in urgent need of replacement. Construction for this project is currently scheduled to begin in December 2009 and full funding needs to be secured no later than early 2009.

20 diesel locomotives and 73 gallery cars (2/3rds of the total fleet) are scheduled for replacement in 2014.

2. Enhancements

The JPB CIP has included \$28 million in San Francisco Regional Transportation Improvement Program (RTIP) and \$20.5 million in Proposition K (both in 2001 dollars) in Table 2 as commitments toward the \$785 million (in year of construction dollars) Caltrain Electrification Program. The Electrification program is the centerpiece in Caltrain's proposed CIP to transform the system from commuter rail to a state-of-the-art rapid rail system from San Francisco to San Jose through electrification of the main line, installation of catenary poles and wire, utility relocation, vertical clearance improvements and construction of power substations. This will eventually connect with

California High Speed Rail projects from Sacramento to San Diego, allowing travel speeds of up to 220 mph. Work will occur in the next five to eight years and will dovetail with the scheduled replacement of the majority of the fleet with modern, light-weight, and higher speed rolling stock. The total project cost for the Electrification Infrastructure program in year of construction dollars is \$785 million, while the replacement of rolling stock is estimated to cost \$440 million (in year of procurement dollars).

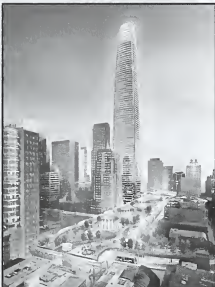
Transbay Terminal

The Transbay Terminal project consists of three interconnected elements: (1) replacing the outmoded Transbay Terminal at First and Mission Streets with the modern Transbay Transit Center; (2) extending Caltrain 1.3 miles from Fourth and King Streets downtown into the new Transbay Transit Center at 1st and Mission, with accommodations for future High-Speed Rail (see the SFMTA subchapter above); and (3) creating a new transit-friendly neighborhood with 3,460 new homes (35% of which will be affordable), and mixed use commercial development.

The first phase of the project begins with the building of the temporary terminal, commencing in 2008, to serve passengers while the new Transit Center is under construction. Construction of the new landmark Transit Center and complementary Transit Tower is scheduled to begin in 2010 and be completed in 2014. This first phase of the project includes design and construction of the Transit Center building, the rail foundation, bus ramps, and bus storage facilities, and design of the underground rail level component of the Transit Center. The second phase of the project, the construction of the Caltrain Downtown Rail Extension, is estimated to begin in 2012 and be completed and operational by 2018, or earlier, if funding allows.

The Transbay Transit Center will help centralize a fractured regional transportation network by building an intermodal hub that will be used by MUNI, AC Transit, Golden Gate Transit, Caltrain, SamTrans, WestCAT, Greyhound, and Paratransit and will accommodate the future California High-Speed Rail line. By 2020, upwards of 29 million people are estimated to use this 'Grand Central of the West' each year. The new Transit Center will accommodate more than 45 million people, which includes those who come to enjoy the retail component as well as transit passengers. The project's capital cost is estimated at \$3.4 billion, escalated to the year of expenditure (YOE). It is funded by local, regional, state and federal funds. The first phase, which completes the above-ground portion of the Transit Center building, is funded at \$1.189 billion (YOE).

On September 20, 2007, the TJPA Board unanimously selected Pelli Clarke Pelli Architects and Hines to design and develop the new landmark Transbay Transit Center and Transit Tower. The TJPA may now enter into exclusive negotiations with the team.



Transportation

	Prior Years	FY2010	FY2011	FY2012	FY2013	FY2014	FY 2015- 2019	PLAN TOTAL
<u>SPENDING PLAN</u>								
Municipal Transportation Agency (SFMTA)	-	827,604	1,047,797	930,980	882,689	772,441	3,125,463	7,566,374
International Airport (SFO)	-	294,768	125,333	97,256	108,689	335,875	542,965	1,504,886
Interagency Initiatives	437,969	404,492	714,052	884,399	1,069,443	1,216,582	2,043,712	6,332,681
TOTAL	437,969	1,526,864	1,887,182	1,912,635	2,040,821	2,324,898	5,712,140	15,404,541
<u>REVENUES</u>								
Local	125,826	525,126	574,058	383,168	403,215	754,391	1,940,864	4,580,812
Regional	241,695	133,013	225,470	281,083	274,642	55,377	174,512	1,144,098
Federal	110,905	154,100	277,811	372,746	397,228	439,751	1,556,512	3,198,146
State	27,346	156,814	351,828	80,047	133,572	73,576	188,374	984,211
Other		57,602	64,411	53,551	102,455	141,346	290,367	709,733
TOTAL	505,571	1,026,655	1,493,578	1,170,586	1,311,112	1,464,441	4,150,629	10,617,000
<i>Total San Francisco Jobs/Year*</i>		7,392	10,754	8,428	9,440	10,544	29,885	76,442
*This is the equivalent of job years, which are defined as one year of full-time work (e.g. Three people employed for five years = 15 job years).								
Annual Surplus (Shortfall)		(500,209)	(393,604)	(742,050)	(729,710)	(860,458)	(1,561,512)	(4,787,541)
Cumulative Surplus (Shortfall)			(893,813)	(1,635,863)	(2,365,572)	(3,226,030)	(4,787,541)	

Departmental Breakdown

Municipal Transportation Agency (SFMTA)

Program / Project

FY2010 FY2011 FY2012 FY2013 FY2014 FY2015-
FY2019 TOTAL

SPENDING PLAN

Equipment Program	105,521	98,667	75,821	76,052	78,054	441,476	875,590
Facilities Program	129,413	170,771	127,662	83,678	47,880	203,018	762,422
Fleet Program	181,297	122,376	82,543	74,794	70,205	1,013,898	1,545,114
Infrastructure Program	411,372	655,982	644,955	628,165	578,302	1,467,070	4,383,847
TOTAL	827,604	1,047,797	930,980	862,689	772,441	3,125,463	7,566,973

REVENUES

Equipment Program	11,346	9,708	6,370	150,880	93,944	434,406	706,656
Facilities Program	29,679	28,222	27,750	7,069	97,502	172,321	362,543
Fleet Program	55,834	71,199	104,865	58,340	134,079	921,835	1,346,153
Infrastructure Program	256,097	633,930	309,536	335,107	490,638	694,829	2,720,137
Total Revenues by Capital Program	352,956	743,060	448,522	551,395	816,163	2,223,392	5,135,488

Federal

108,575

State

62,486

Local

181,995

TOTAL

352,956

Total San Francisco Jobs/Year

2,541

1,890,387

560,435

102,124

1,190,827

2,684,666

2,223,392

5,135,488

36,976

16,008

5,876

(2,431,486)

(2,431,486)

(1,529,415)

(311,294)

(1,573,137)

(482,458)

(1,261,843)

(304,737)

(779,385)

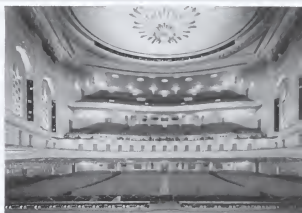
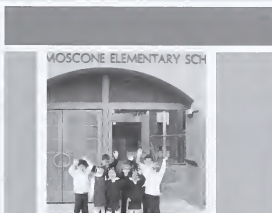
Annual Surplus (Shortfall)

Cumulative Surplus (Shortfall)

San Francisco International Airport (SFO)

Program / Project	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015- FY2019	PLAN TOTAL
Renewal and Deferred Maintenance-Needs	14,786	13,599	17,635	18,563	15,256	71,305	151,343
<i>SPENDING PLAN</i>							
Renewal (Operating Budget)	5,000	9,000	9,540	10,112	10,719	64,050	108,421
Capital Plan by Airport Cost Center							
Airfield	37,280	37,835	29,530	50,616	67,346	190,381	412,988
Airport Support	28,950	11,731	9,150	1,150	32,800	29,960	113,741
Groundside	9,515	9,434	12,498	3,953	22,301	22,000	79,701
Terminals	186,758	18,448	15,712	21,709	132,160	102,701	457,488
Utilities	36,879	31,286	12,031	12,698	66,012	126,618	285,524
West of Bayshore	600	3,000	500			4,100	4,100
Subtotal Capital Plan	279,982	111,734	79,421	90,126	320,619	471,660	1,353,542
Total Operating/Capital Needs	294,768	125,333	97,256	108,689	335,875	542,965	1,504,886
<i>REVENUES</i>							
Operating Budget (renewal/maintenance)	5,000	9,000	9,540	10,112	10,719	64,050	108,421
Operating funds		3,500	4,000	4,000	4,000	22,500	38,000
PFC funds		14,000	16,000	18,000	20,000	100,000	168,000
Interest	7,940	3,000	3,000	3,000	3,000	10,000	29,940
Other (settlements, etc.)							4,140
Grants	46,079	32,836	26,695	31,455	118,346	125,000	380,411
Subtotal for New Capital Sources	54,019	53,336	49,695	56,455	145,346	257,500	616,351
Future revenue bonds / capital borrowings	225,963	58,398	29,726	33,671	175,273	214,160	737,191
Total Capital Sources	279,982	111,734	79,421	90,126	320,619	471,660	1,353,542
Total Operating and Capital Sources	284,982	120,734	88,961	100,238	331,338	535,710	1,461,963
Total San Francisco Jobs/Year	2,052	869	641	722	2,366	3,857	10,526
Annual Surplus (Shortfall)	(9,786)	(4,599)	(8,295)	(8,451)	(4,537)	(7,255)	(42,923)
Cumulative Surplus (Shortfall)		(14,385)	(22,680)	(31,131)	(35,668)	(42,923)	

Interagency Initiatives		Prior	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015-	PLAN
Program / Project		Years						FY2019	TOTAL
SPENDING PLAN									
Bus Rapid Transit		1,950	16,287	66,250	35,710				118,248
Van Ness BRT		1,000	3,308	4,575	69,117	100,000		40,000	217,000
Geary BRT		2,950	19,595	70,825	104,827	100,000		40,000	335,248
BRT Subtotal									
Caltrain		3,000	15,000						15,000
Replace SF Bridges - 22nd, 23rd, and Paul Ave			1,800	1,000	80,000	120,000	120,000	117,400	440,000
Rolling Stock Replacement		30,975	14,347	96,309	159,273	171,995	104,787	29,970	576,681
Electrification Infrastructure		117,671	146,453	100,650	185,118	303,327	201,949	120,281	1,057,778
Other		151,646	162,400	212,959	424,391	595,322	426,736	267,651	2,089,459
Caltrain Subtotal									
Transbay Terminal - Phase 1		227,133	157,098	300,920	190,530	188,762	124,537		961,967
Phase I		56,240	65,399	129,348	164,651	185,339	665,309	1,736,061	2,946,107
Phase II		283,373	222,497	430,268	355,181	374,121	789,846	1,736,061	3,907,374
Transbay Subtotal									
TOTAL			404,492	714,052	884,399	1,069,443	1,216,582	2,043,712	6,332,681
REVENUES									
Local - SF Prop K		125,626	30,437	31,469	35,929	22,614	9,198	26,506	156,153
Local - Transbay TDRs & Land Sales		81,831	81,831	233,379	114,310		4,040	422,821	856,381
Regional - Caltrain (SMCTA, VTA, ACE & Bridge Tolls)		96,856	87,388	176,984	219,945	156,563	44,595	174,512	860,088
Regional - Transbay (SMCTA, Bridge Tolls, Lease, Other)		144,839	45,625	48,486	61,138	118,079	10,682		284,010
State		27,346	94,328	45,840	50,060	103,650	43,650	86,250	423,778
Federal		110,905	45,525	79,051	143,865	208,573	204,675	626,072	1,307,759
BRT Other			3,583	14,575	7,856	50,000		55,367	131,382
TOTAL		505,571	386,717	629,784	633,104	659,479	316,940	1,391,528	4,019,551
Total San Francisco Jobs/Year		3,640	2,799	4,534	4,558	4,748	2,282	10,019	28,941
Annual Surplus (Shortfall)		(15,775)	(84,266)	(251,295)	(409,965)	(652,185)	(899,643)	(652,185)	(2,313,130)
Cumulative Surplus (Shortfall)			(100,043)	(351,339)	(761,303)	(1,660,946)	(2,313,130)		



Section 6 | Recreation, Culture & Education

A.	Recreation, Culture & Education	119
B.	San Francisco Unified School District	127
C.	Financial Schedules	131

VI. Recreation, Culture & Education



Legend

- | | |
|------------------------------|------------------------------------|
| ▲ SF Unified School District | ● Community and Recreation Centers |
| ★ Fine Arts Museums | ■ Public Library |
| ▲ Arts and Cultural Centers | ■ Parks and Open Space |

Recreation, Culture & Education

The Recreation and Parks Department (RPD), Arts Commission (ART), Public Library (LIB), and School Districts operate over 460 facilities and properties that provide a broad array of recreational, cultural, and educational services for the City.

In terms of recreation, RPD has jurisdiction over 230 properties with hundreds of buildings and recreation facilities throughout San Francisco and also owns Sharp Park and Camp Mather outside the city limits. In terms of Culture and Education, the City owns 27 branch libraries, four major civic center arts facilities and auditoriums, four neighborhood arts cultural facilities, and a vacant arts gallery. Additionally, the San Francisco Unified School District operates 183 distinct facilities that serve 56,236 students, and the San Francisco Community College District serves over 35,000 full-time equivalent students on twelve campuses.

Highlights and Accomplishments

The recent opening of major museums and the passage of bonds for libraries, parks, and schools reveals the City's commitment to Recreation, Culture, and Education facilities. Each of these areas are discussed below, with the external Education agencies included at the end of the chapter.

Recreation and Parks System

One of the most significant achievements over the previous year for the City and the Recreation and Park System is the passage of the \$185 million Clean and Safe Neighborhood Parks General Obligation Bond (Proposition A) on February 5, 2008. As the first G.O. Bond recommended by the 10-year capital plan, it focuses capital investments on addressing seismic hazards, physical conditions of park structures, and other basic needs within the city's parks and recreation areas.

The Clean and Safe Neighborhood Parks General Obligation Bond also enables the City to continue the work initiated by the \$110 million 2000 Neighborhood Parks Bond. These funds leveraged grants, gifts and other local investments to initiate 223 capital projects valued at over \$712 million. These projects included 41 playgrounds, 5 pools, 8 recreation centers, 11 clubhouses, 90 parks, 12 acquisitions, 8 master



Palace of Fine Arts

Information on the Bond can be found at:
www.sfgov.org/recpark

plans, 30 Golden Gate Park projects, and 18 SF Zoo projects. To date, a total of 133 projects are complete and 23 in close-out, while the others are in planning, design and construction.

In addition to these G.O. bonds, the capital plan proposes another \$175 million for the department over the second five years. These funds will come from a \$25 million revenue bond and a \$150 million G.O. Bond scheduled for 2013. Even with all of these bonds, over \$231 million is deferred beyond FY 2019.

Public Library

Following voter approval of a \$106 million bond in 2000, the City leveraged approved bond funds with State grants, gifts and local funds to finance the \$153.1 million Branch Library Improvement Program (BLIP). The BLIP will replace rental facilities and provide structural upgrades, enhance access, make program improvements and address deferred maintenance to 24 Branch libraries and the Support Services center.



Excelsior Branch Main Reading Room

As a result of the BLIP program, (a) the new Support Services center was opened, (b) the first new branch library in 40 years opened in Mission Bay, (c) branch library renovations were completed at Excelsior, West Portal, Sunset, Marina, Western Addition and Noe Valley and, (d) the new Glen Park branch opened replacing a leased facility. The Richmond branch library renovations will soon be completed and soon two new, city-owned branches will replace leased facilities, Portola branch library will open in February 2009 and the Ingleside branch library will open in the summer of 2009. The remaining branches are in design or construction. The Mission and Chinatown Branch Libraries were improved through a previous bond measure, the Earthquake Safety Bond Program, and the Ocean View Branch Library was completed in 2000.

Approved by the voters in November 2007, Proposition D renewed the Library Preservation Fund, a baseline established to fund the department's needs, for a 15-year term beginning in FY 2008-2009. The measure also authorized the Library to issue revenue bonds for the construction or improvement of public library facilities.

Arts

The \$484 million California Academy of Sciences opened in Fall 2008. With an award winning design and an emphasis on energy and water efficiency, the facility received a LEED-Platinum rating from the US Green Building Council.

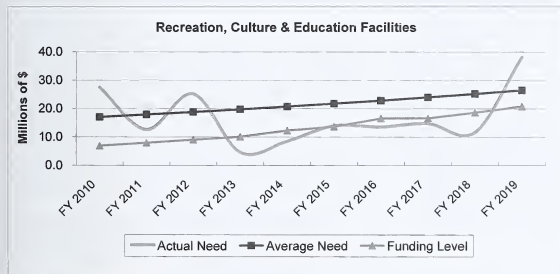


War Memorial Opera House

Several other facilities, however, suffer from seismic, disability access, and other deficiencies. The ten-year capital plan proposes the allocation of approximately \$164 million in both maintenance and improvements to these facilities. Investments to meet seismic and modernization needs of the Veterans Building account for \$130 million.

1. Renewal Program

The facility renewal model projects a cost of \$215 million over the next ten years to keep Recreation, Culture, & Education facilities in a state of good repair. Recreation and Culture Facilities have a projected need of \$214 million and, given funding constraints, the plan allocates \$132 million towards Recreation and Culture renewals



* Library renewal needs not included.

Note: The Recreation and Park Department (RPD) uses the Condition Management Estimation Technology system (COMET) to project renewal needs and establish the department's capital spending priorities. To ensure consistency between COMET and the Facilities Renewal Resource Model (FRRM) used by other City departments, the plan reports only those deficiencies categorized in COMET as critical and immediate in the backlog.

COMET and FRRM are similar tools that play an important role in determining renewal needs. One difference between these systems is COMET automatically places items in the backlog once past their expected life regardless of the system's condition. FRRM places items in the backlog only if it is reported as deficient and in need of immediate repair.

The plan fully funds the Library's annual renewal needs. Furthermore, work performed as part of the BLIP has nearly eliminated the Library's existing backlog of deferred maintenance.

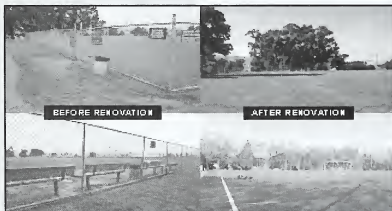
2. Enhancement Program

- **Recreation and Parks System.** The 10-year capital plan proposes \$320 million in enhancements over the plan cycle, mostly from the \$185 million Clean and Safe Neighborhood Parks Bond (Proposition A) approved by voters on February 5, 2008.

Clean and Safe Neighborhood Parks Bond—Prop A	Cost (millions)
Waterfront Parks	\$33.5
Neighborhood Parks	117.4
Park Restrooms	11.4
Park Playfields (Athletic Fields)	8.5
Park Forestry	4
Park Trails	5
Community Opportunity Grants	5
Citizen's Oversight Audit	0.2
TOTAL	\$185

In addition to Proposition A, the Capital Plan proposes a second \$150 million General Obligation bond in 2014 to continue to address capital needs in the City's Park system. Major enhancements include:

- **Playfield Renovation Program.** The Recreation and Parks Department is in the second phase of a multi-phased program to renovate city soccer, baseball, and other playing fields with more durable synthetic fields. In 2008, the city renovated Crocker Amazon and South Sunset Playfields with matching funding from the City Fields Foundation. In the current year, the city plans to renovate Kimbell Playfields with funding from Prop A and continued support from the Foundation. With additional funding from the Parks Bonds and support from the Foundation, the city anticipates renovating five more fields as part of the program.



Franklin Square Playfield

- **Marina Renovation Program.** The department is in the planning phase of a major program to renovate the San Francisco Marina Yacht Harbor. The plan proposes total investments of nearly \$60 million over the course of 8 years. The project will be broken into two phases, with the West Harbor renovations in the first phase, followed by renovations in the East Harbor (aka Gas House Cove). The project will be funded through a loan secured from the State's Department of Boating and Waterways, to be repaid with Marina generated revenues.

– **Golden Gate Park Renovation Program.** With state grant funds from Proposition 12 and Proposition 40, the department has completed many renovations and improvements throughout Golden Gate Park since 2002. These include the Koret Children's Quarter Playground, landscaping for the deYoung Museum, Music Concourse Surface Improvements, and the Bison Paddock renovation. Projects currently in design or construction include the Murphy Windmill & Millwright's Cottage, the Park Aid Station, repairs to the Spreckels Temple of Music, Music Concourse fountains and site furnishings, Parkwide Signage, Bowling Green Restroom Renovation, Children's Quarter Restroom & Event Barn, Polo Field Renovation, and the Rhododendron Dell. All projects will be complete by the end of 2010.

The shortfall on the BLIP is a result of several factors including unexpected delays in receiving grant funds, extremely high construction cost escalations in the past four years, and programmatic changes necessary to create modern facilities.

- **Branch Library Improvement Program.** The final sale of \$31 million from the voter-approved bond measure was completed in April 2008. The bond dollars, bond interest, and rental income are unable to cover all of the improvements described in the program. The project budget is currently estimated at \$201.5 million.

In addition to the final \$31 million, the Library is issuing approximately \$44 million in revenue bonds. Two series of lease revenue bonds will be sold to complete the following six library projects: Anza, Bayview, Golden Gate Valley, Merced, North Beach and Ortega. The first sale of lease revenue bonds for BLIP is scheduled to occur in late January 2009 for approximately \$34M and will partially fund all six projects. A second sale of \$10M to fund construction and related costs for Bayview and North Beach is anticipated to occur in the fall of 2009.



West Portal Branch

- **Seismic Bracing of the Veterans Building.**

The Veterans Building houses the Herbst Theater and contains meeting space for local veterans and temporary City office space. The facility suffers from a number of seismic deficiencies, the most serious of which is the strength of the facility's theater. The cost of the project is estimated at \$130 million given a proposed construction period beginning in FY2013 and a 5.5% contingency for hazardous materials abatement and market fluctuations. Due to changes in the market, this year's Plan recognizes that the sale of transferable development rights (TDRs) is no longer viable to fund the planning and design of the project. As such, the Plan proposes issuing C.O.P.s in FY 2011 to begin the planning and design process. The issuance of hotel tax C.O.P.s in FY2012 will fund most of the construction costs. In addition, the sale of TDRs may offset costs when the market improves.



Veterans Building

Transferable Development Rights (TDRs) allow the unused development rights associated with an historical property, such as the Veterans Building, to be sold to private developers of a separate property. Proceeds from the sale of any such TDR must be used to rehabilitate or restore the building from which the TDR originated.

3. Deferred Projects

The capital investments for the following emerging needs are not funded in this year's plan. They will be reviewed in the subsequent ten-year capital plans as additional planning is completed and uncertainty around project-specific issues is resolved.

- **Renovations of the City's Cultural Centers.** Investments required to address serious building deficiencies, seismic stability, and ADA access needs in three of the City's cultural facilities are deferred from the plan. The severity of these facility needs, the cost of renovating the existing sites, and the possibility of relocating to other sites requires additional review and analysis.
- **Renovation of the Arts Commission Gallery Building.** Located at 155 Grove, this seismically unsafe facility has been inactive since 1989. Future plans will include a total project cost estimate.
- **Golf Course Improvements.** Significant facility upgrades are needed at all the City's golf courses with the exception of Harding Park. The current golf fee structure is unable to provide enough revenue to cover these costs. Harding was updated as a result of a combination of investments from the City and the Professional Golf Association.

San Francisco Unified School District



LEGEND

DISTRICT SCHOOL FACILITIES

CHARTER SCHOOLS, COUNTY COMMUNITY SCHOOLS AND FACILITIES WHERE THE DISTRICT OPERATES PROGRAMS, BUT DOESN'T OWN OR NECESSARILY LEASE THE FACILITY

San Francisco Unified School District

The San Francisco Unified School District (the "District") is involved in the operations of 180 sites located throughout the City as well as one facility in La Honda, CA (where a County Community School is located) and two parcels of vacant land. These properties are shown graphically by the map on the opposite page (see legend for facility use).

Highlights and Accomplishments

Substantial capital improvements to the system are ongoing at schools throughout the District. In November 2003, voters approved a \$295 million general obligation bond to address modernization needs at 30 school sites, and in November 2006 they approved another \$450 million general obligation bond to modernize facilities at an additional 64 sites. Completion of these projects is expected by 2012. Of the remaining 100 buildings, SFUSD has identified 75 facilities for which modernization funds are required within the next ten years. The table below shows the distribution of these facilities by use and modernization need.

Site Usage	# of Sites ¹	Funded ⁴ In 2003/2006 Bonds	Completed Or Under Construction ²	Sites That Need Funding
Child Development Centers ³	34	20 ⁷	3	17
Elementary Schools ³	64	38	22	28
Alternative Grade Spans	11 ⁸	5	2	5
Middle Schools ⁶	14	9	5	5
High Schools	18 ⁹	12	8	5
Charter Schools	3 ^{10, 11}	3	0	0
County Community Schools	2	2	0	0
Non-Educational Facilities	11	4	0	5
Leased to Outside Agencies	16	1	0	7
Vacant Buildings	5	2	1	3
SUBTOTAL-BUILDINGS	178	96	41	75
Vacant Land	2	0	0	-
TOTAL PROPERTIES ¹	180	96	41	75

1 - The number of facilities does not equal total number of schools because of shared facilities. 2 - Under construction is defined as a project with an (NTP) Notice-To-Proceed. 3-2003 Bond-Treasure Island project canceled. 4-2006 Bond-Independence High School relocated to a non-bond site. 5-2006 Bond-Sutro CDC closed. 6-Excludes Luther Burbank current site of June Jordan High School. 7-Includes CDC's co-located at Elementary Schools funded by 2003/2006 bonds. 8-Includes Paul Revere Annex. 9-Includes 2 programs co-located at 555 Portola Drive (SOTA & Academy of Arts & Sciences). 10-Includes Creative Arts, Edison and 2 programs co-located at Benjamin Franklin/Burl Toler Campus. 11- Excludes City Arts & Technology (former Luther Burbank Campus), Leadership Charter High School (co-located with James Denman) and Metropolitan Arts & Technology (co-located at Philip/ Sala Burton HS).

In addition to funding capital improvement projects through General Obligation Bonds, the District maintains a Mello-Roos Tax approved by property owners in June 1990. The purpose of the tax is to pay for fire, health and life safety improvements at educational facilities owned and operated by the District, including responses to emergency situations.

The Mello-Roos tax, which allows a maximum annual assessment of \$32.20 per parcel, will sunset in 2010. The District intends to seek approval to extend this revenue source at a per-parcel rate that keeps pace with inflation increases in the intervening years. The measure is expected to be placed before the voters in November 2009.

1. Renewal Program



Front lobby at the new Dianne Feinstein Elementary School

The district participates in the State's Deferred Maintenance Program, and annually receives \$2.5 million – the maximum funding – for work performed on district owned school buildings. The district matches the state apportionment with general funds, on a dollar-for-dollar basis, for expenditures for major repair or replacement of existing school building components. However, the Governor's budget proposal for the 2008-2009 school year eliminates the requirement for school districts to provide a 0.5% match for deferred maintenance and reduces the total amount of the state's share of deferred maintenance. As of July, the State has yet to adopt a budget; the figures here reflect the status quo contribution match from the District and contribution from the State.

The district has a five-year plan of nearly \$45 million in deferred maintenance projects, which has been approved by the State. The 2003 and 2006 local bond measures will greatly reduce the pressure on the limited state funding to keep the buildings in good repair.

2. Enhancement Program (FY 2010 - 2019)

Progress to date and future plans for the 2003 and 2006 Bond projects reflect an aggressive schedule to meet phased deadlines outlined in the Lopez vs. SFUSD Stipulated Judgment, which contains three groups of schools with respective completion deadlines. Accessibility improvements in schools in Group One, Group Two and Group Three must be completed by June 2007, June 2010, and June 2012, respectively.

- **2003 Bond Projects.** The 2003 projects primarily represent schools in Lopez Group One. As of October 2007, Notices to Proceed have been issued and/or bids have been awarded for 29 of 30 projects included in the 2003 bond program.

Of the \$295 million authorized by 2003 Proposition A, \$280 million of bonds have been sold. The remaining \$15 million of bond authorization is reserved for the School of the Arts (SOTA), which can only be sold when privately raised funds are in place or have been committed. The District does not anticipate selling the \$15 million prior to April 2009.

- **2006 Bond Projects.** Of the \$450 million in bonds authorized by 2006 Proposition A, the District has issued \$100 million. As the bond program evolves, project requirements and schedules may result in changes to bond sale amounts and

State funding for school modernization was most recently authorized by State Propositions 55 (2004) and 1D (November 2006).

Approximately \$44 million of State matching funds are approved for projects in the 2003 bond, and about \$30 million of State matching funds are anticipated for projects included in the 2006 bond.

timing. Changes will be reflected in updates to the District's Capital Plan. The 2006 bond program includes some Lopez Group One and all Group Two and Group Three schools.

- **Future Bond Projects.** As indicated at the start of the Chapter, the District has determined that approximately 75 facilities will require renovation, modernization and repair work. The District estimates that the costs to modernize these facilities, exclusive of deferred maintenance costs, would be approximately \$622 million in 2011. In cases of school buildings constructed or modernized relatively recently, estimates have been reduced to reflect only the costs of replacing various facility features according to standard schedules of useful life.



*New FEC Bessie Middle School
Classroom Building*

Between \$511 million and \$622 million of general obligation bond funding would be necessary to complete these projects, depending on the amount of state funding associated with these projects. It is anticipated that these projects would be included in two future separate bond authorizations, the first of which would be sought in 2011 and second in 2013.

District's Funding Needs 10 Year Horizon

The following table shows the District's funding needs, in total, over the next 10 years.

Construction, Modernization and Reconstruction	\$760,200,000
ADA Improvements	\$192,550,000
Deferred Maintenance	\$50,000,000
Technology Upgrades (Science Labs, computer labs)	\$42,750,000
Small School Conversions	\$500,000
TOTAL	\$1,046,000,000

3. Emerging Needs

In this year's update of the District's capital plan, the District will include information on School Infrastructure needs required for new and growing communities. As Mission Bay, Hunters Point, and Treasure Island continue to expand and take form, School facilities will need to be enhanced in order to fulfill the educational requirements of the communities. In addition, programs like HOPE will generate their own unique needs, all of which will be captured in the next update to the District's capital plan.

Sources of Funds Next 10 Years - (2008 dollars in millions)

SOURCES	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	TOTALS
2003 GO Bond Funds	\$15										\$15
2006 GO Bond Funds (6)	\$150	\$200									\$350
Future GO Bond Funds State Matching Funds			\$210		\$321						\$531
(1) (5) Measure B Parcel Tax (2)	\$30										\$30
(4) Developer Fees (3)	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$40
Deferred Maintenance	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$30
(Match) Deferred Maintenance	\$2.5	\$2.5	\$2.5	\$2.5	\$2.5	\$2.5	\$2.5	\$2.5	\$2.5	\$2.5	\$25
(7)											
(State Match)	\$0	\$2.5	\$2.5	\$2.5	\$2.5	\$2.5	\$2.5	\$2.5	\$2.5	\$2.5	\$22.5
TOTAL	\$204.5	\$212	\$222	\$12	\$333	\$12	\$12	\$12	\$12	\$12	\$1,043.5

(1) State matching funds presently estimated at \$30 million for 2009.

(2) Estimate based on an approximate 2/3 use of Parcel Tax funds for capital

(3) Estimate based on average collection of developer fees.

(4) Measure B Parcel Tax funds after 2010 subject to voter approval for renewal of existing parcel tax

(5) Does not include \$38 million in new construction money potentially available for SOTA

(6) Anticipated sale in October 2008 of \$150 million

(7) Funding contingent on proposed State Budget. Decreased Deferred Maintenance dollars may result in less work being done.

Recreation, Culture & Education

	FY2010	FY2011	FY2012	FY2013	FY2014	FY 2015- FY 2019	PLAN TOTAL	BACKLOG
State of good repair renewal - Need	17,068	17,921	18,817	19,758	20,746	114,636	214,680	71,043
SPENDING PLAN								
State of good repair renewal - Proposed Uses	9,470	8,387	9,412	10,427	12,556	86,036	136,288	1,161,079
ADA Transition Plan Improvements	669	772	702	1,817			3,960	
Enhancements	97,720	45,723	27,500	107,800	157,500	25,000	461,244	171,367
TOTAL	107,859	54,882	37,614	120,045	170,056	111,036	601,492	1,403,489
REVENUES								
Local	99,209	54,882	17,614	120,045	170,056	111,036	572,842	
State	8,650		20,000				28,650	
TOTAL	107,859	54,882	37,614	120,045	170,056	111,036	601,492	
Total San Francisco Jobs/Year*	777	395	271	864	1,224	799	4,331	

*This is the equivalent of job years, which are defined as one year of full-time work (e.g. Three people employed for five years = 15 job years).

Departmental Breakdown

Arts Commission

Program / Project	FY2010	FY2011	FY2012	FY2013	FY2014	FY 2015- FY 2019	PLAN TOTAL	BACKLOG
State of good repair renewal - Need	870	913	959	1,007	1,057	5,841	10,939	
SPENDING PLAN								
State of good repair renewal	365	318	359	400	487	3,378	5,308	7,452
ADA transition plan improvements		772	702	991			2,464	
Cultural Center Upgrades								91,425
Arts Commission Gallery Seismic Upgrade								6,144
TOTAL	365	1,090	1,061	1,391	487	3,378	7,773	105,020
REVENUES								
Local - General Fund	365	1,090	1,061	1,391	487	3,378	7,773	
TOTAL	365	1,090	1,061	1,391	487	3,378	7,773	
Total San Francisco Jobs/Year	3	8	8	10	4	24	56	

Asian Art Museum							
Program / Project	FY2010	FY2011	FY2012	FY2013	FY2014	FY 2015- FY 2019	PLAN TOTAL BACKLOG
State of good repair renewal - Need	490	515	541	568	596	3,293	6,167
SPENDING PLAN							
State of good repair renewal	206	179	203	226	275	1,905	2,992
TOTAL	206	179	203	226	275	1,905	2,992
REVENUES							
Local - General Fund	206	179	203	226	275	1,905	2,992
TOTAL	206	179	203	226	275	1,905	2,992
Total San Francisco Jobs/Year	1	1	1	2	2	14	22
DEFERRED							
Fine Arts Museum							
Program / Project	FY2010	FY2011	FY2012	FY2013	FY2014	FY 2015- FY 2019	PLAN TOTAL BACKLOG
State of good repair renewal - Need	377	396	416	437	459	2,534	4,745
SPENDING PLAN							
State of good repair renewal	158	138	156	174	211	1,465	2,303
ADA transition plan improvements	266						266
TOTAL	424	138	156	174	211	1,465	2,568
REVENUES							
Local - General Fund	424	138	156	174	211	1,465	2,568
TOTAL	424	138	156	174	211	1,465	2,568
Total San Francisco Jobs/Year	3	1	1	1	2	11	18
DEFERRED							
Public Library							
Program / Project	FY2010	FY2011	FY2012	FY2013	FY2014	FY 2015- FY 2019	PLAN TOTAL BACKLOG
State of good repair renewal - Need	739	776	814	855	898	5,210	9,291
SPENDING PLAN							
State of good repair renewal	739	776	814	855	898	5,210	9,291
Branch Library Improvement Program	10,000						10,000
TOTAL	10,739	776	814	855	898	5,210	19,291
REVENUES							
Local - Other Sources	10,739	776	814	855	898	5,210	19,291
TOTAL	10,739	776	814	855	898	5,210	19,291
Total San Francisco Jobs/Year	77	6	6	6	6	38	139
DEFERRED							

Recreation & Parks

Program / Project	FY2010	FY2011	FY2012	FY2013	FY2014	FY 2015- FY 2019	PLAN TOTAL	BACKLOG
State of good repair renewal - Need	12,549	13,176	13,835	14,527	15,253	88,497	157,837	33,408
<u>SPENDING PLAN</u>								
State of good repair renewal	6,228	5,430	6,133	6,828	8,316	57,658	90,593	127,174
Non-critical deferred maintenance and improvements								982,802
ADA transition plan improvements				827			827	
Systemwide Modernization	79,070	38,223			150,000	25,000	292,294	
Neighborhood park or playground	55,744	29,958					85,701	
Playfields	3,945						3,945	
Restroom Rehabilitation	6,000	1,174					7,174	
Trail Reconstruction	3,000	901					3,901	
Park Forestry Program	1,121	800					1,921	
Community Opportunity Grant Program	1,901	1,000					2,901	
Other	2,028	2,314					4,342	
TOTAL	79,070	38,223	20,000		150,000	25,000	292,294	
Marina Yacht Harbor Renovation	8,650						28,650	
Golf Courses								73,799
TOTAL	93,949	43,653	26,133	7,655	158,316	82,658	412,364	1,217,183

REVENUES

Local - General Fund	6,228	5,430	6,133	7,655	8,316	57,658	91,420	
Local - GO Bond	79,070	38,223			150,000		267,294	
Local - General Fund Debt						25,000	25,000	
State	8,650		20,000				28,650	
TOTAL	93,949	43,653	26,133	7,655	158,316	82,658	412,364	
Total San Francisco Jobs/Year	676	314	188	55	1,140	595	2,969	

War Memorial & Performing Arts Center

Program / Project	FY2010	FY2011	FY2012	FY2013	FY2014	FY 2015- FY 2019	PLAN TOTAL	BACKLOG
State of good repair renewal - Need	2,043	2,145	2,253	2,365	2,484	14,410	25,700	37,348
SPENDING PLAN								
State of good repair renewal	1,774	1,546	1,747	1,945	2,368	16,420	25,800	36,218
ADA transition plan improvements	403						403	
Veterans Building Seismic Renovation		7,500	7,500	107,800	7,500		130,300	
TOTAL	2,177	9,046	9,247	109,745	9,868	16,420	156,503	73,566
REVENUES								
Local - General Fund	2,177	1,546	1,747	1,945	2,368	16,420	26,203	
Local - General Fund Debt		7,500	7,500	107,800	7,500		130,300	
TOTAL	2,177	9,046	9,247	109,745	9,868	16,420	156,503	
Total San Francisco Jobs/Year	16	65	67	790	71	118	1,127	



Section 7 | Economic & Neighborhood Development

A.	Port of San Francisco	138
B.	Moscone Convention Center	146
C.	Redevelopment Project Areas	148
D.	Planning Department - Emerging Needs	151
E.	Financial Schedules	157

VII. Economic & Neighborhood Development

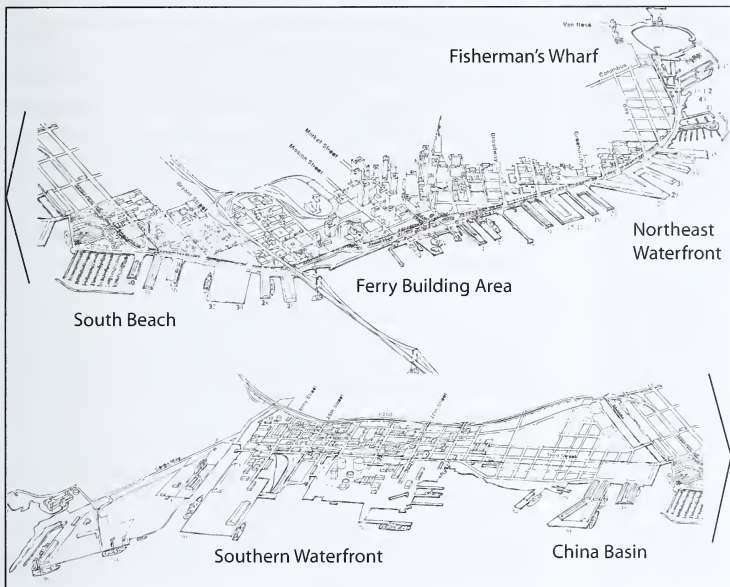
The City operates three convention facilities; owns or has responsibility for 39 pile-supported pier structures and 245 commercial and industrial buildings along the waterfront; and shares responsibility for the redevelopment of nearly 1,400 acres (40% more land area than Golden Gate Park) of formerly industrial or federally-owned land in Mission Bay, Hunter's Point, the Hunter's Point Naval Shipyard, and on Treasure and Yerba Buena Islands. Included in this inventory is not only the land, piers and buildings but also the fixed and long-term infrastructure that support them such as utilities, rights of way, cargo cranes, railroad track, and seawalls.

Highlights & Accomplishments

While many things contribute to the development of the local economy, this chapter includes departments and programs whose primary objective is to contribute to San Francisco's diverse economic base. Real estate at the Port, improvements to the Moscone Convention Center, redevelopment projects in Mission Bay, Treasure Island, and Bayview Hunter's Point, and Planning Department rezoning of neighborhood areas all share the goal of broadening the economic base of the City and creating neighborhoods that have modern infrastructure and are desirable places to live and work. Once complete, these projects will attract residents and businesses to San Francisco, increasing the City's economic competitiveness and expanding its tax base. The Capital Plan identifies a total economic development need over the next ten years of over \$5 billion, primarily for pier and substructure repairs along the waterfront and commercial and residential real estate development on the eastern side of the City.

The City and its partners achieved a number of accomplishments in the last year, including completion of the southern approach to the Illinois Street Bridge (adding rail access to prospective clients at Pier 80), the Rincon Restaurants at Pier 22 ½, and the Public Boat Ramp project at Pier 52 and successfully passing state legislation creating an Infrastructure Financing District (IFD) within the Port's jurisdiction. During the summer and fall of 2008, the Board of Supervisors also approved the City's first Tourist Improvement District in a 15-year public-private partnership with the hotel industry and adopted the Market & Octavia and Eastern Neighborhood Area Plans. Finally, the various redevelopment project areas reached key milestones including initiation of specific environmental review for the redevelopment of Treasure Island and other highlights in Mission Bay and Bayview Hunter's Point.

A. Port of San Francisco



The Capital Plan identifies a total need of approximately \$2 billion at the Port, primarily for deferred maintenance and seismic upgrade work required on Port facilities. The Capital Plan recognizes an increase of approximately \$100 million over the \$1.9 billion identified in last year's Plan. Of the \$2 billion in total need, the Port has identified a total of \$650 million in funding including: Port tenant obligations, the Port's annual operating budget, revenue bonds, development projects, infrastructure Financing District bonds, and General Obligation bonds.

The largest element of the Port's Plan is the rehabilitation and redevelopment of the heavily blighted Pier 70 area, with an estimated need of approximately \$650 million. These costs include upgrading salvageable buildings, demolition of unsalvageable ones, environmental remediation, improvements to street and utility infrastructure, and construction of an open space park area near the water's edge. While Port staff hope that much of this work can be completed through private development, much of it must be completed with other sources of funding in order to attract private development interest and funding.

The Port has developed policy options to address the unfunded portion of its plan including use of grant funds, tax increment financing and potential private development options. In November 2008, San Francisco's voters approved Proposition D which provides an option for the Board of Supervisors to capture 75% of the payroll and hotel tax increment generated by future Pier 70 development to help fund Pier 70's immense public infrastructure and improvements. As a precondition to accessing that funding, the Port must demonstrate that its lease revenues and property tax increment are insufficient to fund all public costs. Proposition D will also facilitate developing Pier 70 by reducing the entitlement risk associated with the number of discretionary approvals the Port's development projects must currently secure. Specifically, Proposition D allows the Board of Supervisors to waive the final approval of the Pier 70 lease if it approves the Pier 70 development plan and zoning at the outset of the project(s). However, each of these options will require significant staff time to develop and implement, and each will require support from City's policymakers.

At this time, the Port's revenue projections are based on the assumption that new private development at SWL 337 will result 1) in new lease revenues which will allow the Port to issue revenue bonds, as well as 2) an increased value to the property, which will allow the Port to issue IFD bonds. These assumptions would provide the Port with up to \$130 million in bond funds.

In conclusion, the Port's newfound ability to utilize the public resources of Infrastructure Finance Districts and other tax increment financing facilitated by Proposition D, a SWL 337 disencumbered from public-trust restrictions by SB 815, and inclusion in a City General Obligation Bond constitutes a beginning to a more financially sound and sustainable Port of San Francisco.

1. Renewal Program



Pier reconstruction underway

Just over \$1 billion, or approximately 50% of the overall need identified in the Port's 10-year capital plan, addresses renewal and repair of existing facilities or deferred maintenance. Of the \$650 million that the Port proposes to fund in the 10-year capital plan, approximately \$322 million are allocated to renewal projects.

Much of this consists of funding to address the Port's facility-specific backlog, largely non-seismic substructure pier and building repairs. Also included are street resurfacing and sewer repair projects. Some of these repairs will be funded by Port tenants as required in their leases while others

will be covered by the Port's annual operating budget. The balance will be covered by development projects and Port revenue bonds, discussed in detail in the subsequent Enhancement Program sections.

The Portwide Annual Programs that are funded include (1) dredging of the bay floor along the waterfront, which maintains the depth of the berths at the Port's piers so that they remain suitable for water traffic, (2) facility condition surveys, which allow the Port to evaluate the state of the Port's structures on a continuous basis and in an organized manner, and (3) emergency facility repair, a set-aside of funds for unforeseen situations, available for the most pressing capital needs in subsequent years if the programmed year remains emergency-free.

The Port funds various open space improvements or mandated mitigations (such as the Brannan Street Wharf at Pier 36) under the Special Area Plan Open Space program as funding opportunities become available. The Port proposes to fund part of this project with land sale proceeds, Port operating revenues, and G.O. bonds.

Because of the sheer magnitude of the Port's remaining Annual Program, the Pier/ Wharf Substructure Reinvestment program, for the moment, receives little funding. The Port should be annually reinvesting 0.74% of the substructure's value back into the piers to keep them in good repair.¹ Unfortunately, because of costs, the Port has been unable to make these necessary investments.

2. Enhancement Program (FY2010 – FY2014)

The first five years of the Port's ten-year capital plan shows investments of \$99 million in Port Revenue Bonds, \$29.6 million in General Obligation Bonds, \$37 million in Port funds for the Brannan Street Wharf and Cruise Terminal projects, as well as private funds from development partners. These sources will fund improvements, including seismic upgrades, to the following Port facilities: the Agriculture Building; Piers 19, 23, 33; Pier 27 which will be the home of the Port's future cruise terminal; Piers 15 & 17, where the Exploratorium is planning to relocate, pending major renovation; rail and tunnel improvements; Pier 50, home to the Port's Maintenance Division; improvements to the Port's Backlands area including repairing the seawall; and various open space improvements along the waterfront.



Piers 27-31

¹ The level of need is calculated based on the cyclical replacement of portions of pier substructures, based on construction type and exposure to tidal action. For example, Port engineers estimate that the Port should rehabilitate 15% of the Port's pre-1920's era concrete piers every 20 years.

Port Revenue Bond Projects

Depending on the interest rates and the amount of Port revenues available for debt service, the Port anticipates issuing up to \$99 million in revenue bonds by FY 2013-2014. Structures selected for this funding are based on whether or not the facility (1) is currently profitable, (2) has the potential to be more profitable, because it is under-utilized, (3) has potential to be more profitable, because it has a lease set to expire in the next 10-years, allowing the Port to improve the property and increase rents once the property is ready to be re-leased, or (4) is critical to supporting the Port's operations. Based on these criteria, the Port has developed the following list of projects for which it will fund with Port revenue bonds:

Project	Amount
Piers 19 or 23**	18,000,000
Pier 90-96 Seawall & Backlands Improvements	8,000,000
Pier 27 Cruise Terminal	20,000,000
Pier 33	2,000,000
Pier 50	20,000,000
Wharf J9	5,000,000
Agriculture Building	5,000,000
Pier 19**	9,000,000
Fisherman's Wharf Fuel Dock Repairs	1,500,000
Misc. Utilities	3,000,000
Pier 80 & Rail Improvements	7,500,000
Total*	\$99,000,000

**Subject to actual debt capacity, Port Commission approval, Mayor approval, and Board of Supervisors approval.*

*** If Pier 23 is selected for repairs and renovations the total of which is \$18 million then the Port will repair the roof and aprons at Pier 19 estimated to cost \$9 million. If Pier 19 is selected to receive the \$18 million for repairs and renovations, then the combined \$27 million allocation (\$18 million plus \$9 million) will cover the majority of repairs required at Pier 19.*

Port Infrastructure Financing District (IFD). The State recently adopted legislation that allows the City to create an Infrastructure Financing District (IFD) within the Port's jurisdiction. This alternative method of collecting property tax increment is a useful financing tool for the Port. The Port anticipates having a total of \$205 million in IFD Bond funds available for a variety of projects, including Pier 70 improvements and other southern waterfront improvements. While some IFD Bond funding will be used by the Port for independent rehabilitation of facilities, other IFD Bond funds will be used as the Port's investment in larger public-private developments. Port staff have identified the Agriculture Building, and Piers 33 and 35 as candidates for IFD Bond funding.

- **Pier 70 Improvements (Southern Waterfront).** The Capital Plan identifies a total of \$497 million related to the Pier 70 complex including: environmental remediation, constructing and reconstructing streets, sidewalks, street lighting, and sewer and water system, open space development, historic building preservation and reuse of a portion of the site, principally along the main 20th Street stretching to the waterfront. Long a ship-building and ship-repair site, Pier 70 now houses the most important collection of historic industrial buildings west of the Mississippi. Unfortunately, owing to age, type of construction, deterioration, lack of code compliance and absence of site utilities and other infrastructure, most of the 35 buildings on the site are unused and only a few are leased.



Pier 70

The Port is creating a master plan that includes: (1) a survey of the historic resources and development of preservation options, and (2) an economic and planning feasibility analysis with development options for Pier 70. The Port expects to complete the master plan by winter 2009 and issue a development RFP by the summer of 2009.

The Pier 70 project envisions bringing most, but not all, of the historic buildings and artifacts (fences, cranes) up to current code, repairing or replacing all building utilities and building systems, but not adding new square feet: work would be done to meet the standards of the U.S. Secretary of the Department of Interior in keeping with the buildings' eligibility for the National Register of Historic Places.

The Port's 10-year capital plan programs \$140 million in IFD Bond funds to cover Pier 70 campus infrastructure costs, which consist of \$40 million to construct streets, sewers, water mains, sidewalks, and street lighting, approximately \$30 million to conduct environmental clean-up, \$20 million to make needed open space improvements, and \$50 million to repair and upgrade wharves and piers. The Port should be better able to redevelop Pier 70 to viable reuses if it can invest public funds in the project.

The Port is anticipating programming an additional \$45 million in IFD bonds from the tax increment generated by the Seawall Lot (SWL) 337 to restore Pier 70's flagship structure, the Union Iron Works Building, for a future public use. As previously noted, the Port recently issued an RFQ to develop SWL 337 as a mixed use development. Assuming the Port successfully secures a development partner, development of SWL 337 should be completed by 2013. At that time, the development should

generate approximately \$6 million annually in possessory tax increment² to the IFD that would leverage \$65 million in bond funds. The Port proposes to allocate the \$65 million in SWL 337-related bond revenues to southern waterfront projects, as follows:

- Pier 70 Union Iron Works Building – Comprehensive rehabilitation, including seismic upgrades – \$45 million
- Islais Creek Open Space Improvements – \$4 million
- Blue Greenway Improvements – \$16 million

General Obligation Bond Projects

In February 2008 San Francisco voters approved a \$185 million General Obligation bond for park and open space improvements, of which \$33.5 million has been allocated to fund or partially fund Port open space improvements across the Port's waterfront. Port projects include: a promenade at Pier 43½ in Fisherman's Wharf; the Brannan Street Wharf Park in Southbeach; Bayfront Park in the Port's China Basin region; and, in the Port's Southern Waterfront, Crane Cove Park, Warm Water Cove Park, Islais Creek, and an entrance to Heron's Head Park. In FY 2008-09, using \$3.1 million of the first bond issuance the Port initiated planning and design efforts for these projects. The 10-year Capital Plan includes the balance of \$29.6 million to complete design efforts and to fully construct these projects.

Development Projects

The Port's development projects are public-private partnership projects in which a developer enters into a lease of up to 66 years with the Port for property, secures financing and is responsible for project delivery. The Port expects the following development projects will begin construction in the next five years. As previously noted, cost estimates included in this Plan only include repair and replacement costs and seismic upgrades that the Port would need to conduct to continue operating these facilities for their current uses. The descriptions below include enhancements developers are making to the facilities to change their use, the cost of which is not included in this Plan.

- **Piers 15–17:** The Port entered into an Exclusive Negotiating Agreement (ENA) with the Exploratorium to renovate Piers 15-17 and relocate the Exploratorium museum from its current location at the Palace of Fine Arts. During the past several years the museum has been looking for a new home to accommodate its expanding needs.

² This \$6 million in tax increment revenues is in addition to the \$6 million in lease revenue growth anticipated from SWL 337 and for which the Port has programmed lease revenue bond funds to several projects previously discussed in this report

The Exploratorium proposes to lease Pier 15 under a long-term lease and develop it for museum and ancillary uses, with the idea of expanding into Pier 17 in later years. Piers 15 and 17 are located in the Northeast Waterfront on The Embarcadero at Green Street. The expected cost of the rehabilitation of Piers 15 and 17 is \$75.8 million.

3. Enhancement Program (FY2015 – FY2019)

The second five years of the Port's 10-year Plan will be driven by projects funded by Port Revenue Bonds.

Port Revenue Bond Funded Projects

The Port anticipates issuance of a total of \$65 million in Port Revenue Bonds in the fiscal years 2014-18.

- **Northeast Waterfront Piers - Piers 9, 33 and 35:** In 2007, the State legislature adopted legislation (SB 815) that allows for more varied development on some of the Port's seawall lots, and allows the Port to enter into lease terms of up to 75 years (the prior maximum had been 66 years). The legislation also restricts the use of new revenue growth generated by seawall lot leases to 1) repair and seismic upgrades of historic facilities and 2) construction of open spaces required by the Special Area Plan. Seawall Lot 337 is the first development affected by the new legislation. The additional annual income associated with SWL 337 development will help the Port to leverage up to, roughly, \$65 million in revenue bonds. Piers 9, 33 and 35 will be the recipient of some of these Revenue Bond funds (Piers 19-23 to receive the balance), which will go toward seismic upgrades and long-deferred repairs.

4. Deferred and Emerging Needs

The Port's proposed ten-year capital plan defers a total of \$1.3 billion in needs. The most significant deferred projects include the following Port facilities:

Unfunded Projects

Region	Port Facility	Unfunded Portion to Repair & Seismically Upgrade
Northeast Waterfront	Pier 31, office and warehouse space, pier substructure	\$22,500,000
South Beach	Pier 26, office and warehouse space, pier substructure	46,300,000
	Pier 28, office and warehouse space, pier substructure	31,000,000
	Pier 38, maritime recreation facility near South Beach Harbor	46,900,000
China Basin	Pier 50, Shed D, the Port's Maintenance Facility, pier substructure	17,200,000
	Pier 54, office and warehouse space, pier substructure	38,400,000
Southern Waterfront	Pier 70 Campus, contains vast array of historic structures	297,000,000
	Pier 80 Cargo Facility	69,700,000

Funding Options for Deferred Projects

Grant Funds – The Port may be able to secure grant funding for its open space and transportation projects.

Public/Private Partnerships – The Port believes Pier 33, Pier 35, Pier 26, and Pier 70 are good candidates for future development projects. However, it has not issued RFPs nor has it secured approvals from various state agencies such as the State Lands Commission and San Francisco Bay Conservation and Development Commission (BCDC) for project scopes. Thus, while the Port has identified these facilities as potential development projects, it is premature to conclude that they will be repaired and upgraded by a developer.

No Identified Funding Options – If the Port is unable to identify a funding source or a developer to repair and seismically upgrade these facilities, it will eventually need to close the facilities and demolish them (if it can secure funds for demolition) or allow them to deteriorate and fall into the bay.

B. Moscone Convention Center

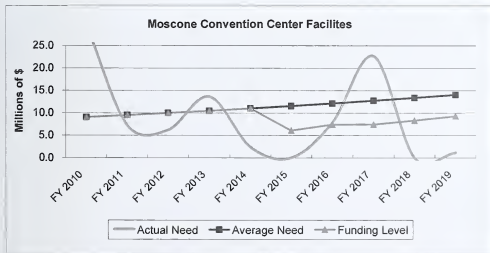
The Moscone Convention Center consists of three facilities: Moscone South (opened in 1981), Moscone North (opened in 1992) and Moscone West (opened in 2003). Together they draw over one million attendees and exhibitors per year and make a substantial contribution to the \$8 billion in annual economic impact generated by San Francisco's travel and tourism industry.

The most significant change to Moscone this year is the creation of a new public-private partnership to expedite scheduled maintenance of Moscone and enhance the marketability of San Francisco as a convention and business destination.

Tourist Improvement District

In December 2008, the San Francisco Convention and Visitors Bureau formed the first citywide Tourist Improvement District, or TID. The TID is an innovative 15-year public-private partnership between the City and the San Francisco hotel industry. In exchange for the City issuing up to \$45 million in lease revenue bonds to renovate and improve Moscone, San Francisco hotels have agreed to assess themselves up to 1.5% of the gross revenues they receive from tourist rooms. This assessment will more than double the City's hotel-specific marketing and sales programs and generate over \$51 million for aesthetic improvements to Moscone over the next five years.

1. Renewal Program



Moscone Convention Center

The City commits a portion of its hotel tax to the preservation and management of the Moscone Convention Center. In FY 2008-2009, the City invested \$2.52 million to replace 17-year-old airwalls in the Esplanade Ballroom. Also, per the TID agreement, the City will borrow against the values of two City-owned facilities – Bill Graham Civic

Auditorium and 25 Van Ness Avenue – to complete up to \$45 million in basic renewals, primarily at Moscone North and South. These Certificates of Participation (C.O.P.s) will finance leak repairs; elevator, escalator, and additional airwall replacements; and HVAC, bathroom, and seismic damper upgrades. After the first 5 years of the TID, the City will once again pay for renewal needs at Moscone.

2. Enhancement Program – FY2010-2014

The \$51 million generated by tourist room assessments will finance the installation of new digital flat-panel displays, the replacement of lobby furniture, the replacement and modernization of glass entry doors and the planning and design costs for the possible future expansion of the convention center.

3. Enhancement Program – FY2015-2019

The investment of the TID and the C.O.P.s will eliminate Moscone's existing backlog and make several enhancements to maintain San Francisco's competitive advantage. There are no enhancements currently planned for the second five years of the Plan.

4. Deferred and Emerging Needs

Several convention hosts have approached the Convention and Facilities Management Department seeking expansion of the Moscone Convention Center. The City has explored this in concept, going as far as determining possible expansion sites and floor plans. While future TID funds are a possible source of funds to continue this in concept, there is no specific identified funding source at this time.



Moscone West as seen from Yerba Buena Gardens

C. Redevelopment Project Areas

Mission Bay

This 303-acre project, initiated in 1998 and adjacent to the San Francisco Giants' AT&T Park, will include nearly five million square feet of commercial and biotechnology space, thousands of housing units, 500,000 square feet of retail, a hotel, nearly 50 acres of public open space, a new public school, fire and police stations and a new public branch library. At the heart of the development is the state-of-the-art University of California San Francisco (UCSF) life sciences campus—at full build-out, it will be home to over 9,000 researchers and staff, as well as a new hospital serving women, children and cancer patients. Nearby are the Gladstone Institute (a 180,000 square foot private research facility dedicated to cardiovascular diseases, virology and immunology and neurological disease) and the California Institute of Regenerative Medicine (or CIRM, the state agency that will provide \$3 billion in funding for stem cell research over the next 10 years).

More than 2,500 residential units have been completed, of which over 500 are preserved for lower income households, and an additional 900 units are under construction. With the continuing development of the new UCSF campus, the market for lab and office space has increased, with over 1.3 million square feet of office and biotechnology space completed and nearly 350,000 square feet of additional space under construction. Fibrogen recently moved its headquarters to Mission Bay, and space for Pfizer is under construction. Finally, the new T-third light rail line now connects the community to Downtown and, to date, more than 12 acres of new public open space have been completed.



Aerial view of Mission Bay project area

The redevelopment of Mission Bay has been a highly cooperative effort, involving the public, master developer (originally Catellus Development Corporation, now FOCIL-MB, LLC), individual for-profit and non-profit developers, the Redevelopment Agency, the Office of Economic and Workforce Development's Joint Development Division, and a wide range of other City agencies.

Treasure Island

This former naval base, which ceased operations in 1997, consists of approximately 365 acres on Treasure Island and 90 acres on Yerba Buena Island. The development plans for Treasure Island include 6,000 new residential units (30% of which will be offered at below market rates), three hotels, a 400-slip marina, restaurants, retail

and entertainment venues—plus nearly 300 acres of parks and open space. The development is clustered around a new ferry terminal and intermodal transit facility and is designed to prioritize walking, biking and public transit. The development plan includes cutting-edge green building elements and is projected to be the most environmentally sustainable large development project in U.S. history.



Aerial schematic of Treasure Island redevelopment

In early 2000, the Treasure Island Development Authority (TIDA) initiated a master developer selection process, culminating in the selection of Treasure Island Community Development, LLC (TICD): a partnership including Kenwood Investments, Lennar Corporation, Wilson Meany Sullivan, and Stockbridge Capital. The City of San Francisco, acting by and through TIDA as the local redevelopment authority, is responsible for the long-term redevelopment planning of Treasure Island.

The Development Plan and Term Sheet for Redevelopment of Naval Station Treasure Island was endorsed by the TIDA Board of Directors and the San Francisco Board of Supervisors in December 2006. The redevelopment project is designed to be financially "self-sufficient." In other words, the project must be funded by sources that result from the value created by the redevelopment and not any direct public subsidy from the City's General Fund.

Next steps in the project implementation phase include negotiating the terms of a comprehensive Disposition and Development Agreement with TICD and engaging multiple agencies, organizations and stakeholders as required to execute the many components of the Development Plan. Other priorities include completing the CEQA environmental review process and adoption of a redevelopment plan per California Redevelopment Law. These efforts will continue over the next year, with the goal of receiving final project approvals from the TIDA Board and the Board of Supervisors in 2009. The first phase of construction is expected to begin in 2010 and will consist primarily of horizontal infrastructure improvements (utilities, perimeter geotechnical stabilization, ferry quay, intermodal transit terminal, etc) to enable subsequent phases of vertical construction. The complete build out of the Development Plan is anticipated to occur in four phases over the next 10-15 years.

Bayview Hunter's Point

The Bayview Hunter's Point (BVHP) Naval Shipyard and Candlestick Point comprise over 700 acres of waterfront land along San Francisco's southeastern shores. The development project is designed to provide over 10,500 residential units, a significant portion of which will be offered at below-market rates; over 300 acres of new waterfront parks, including a new "Crissy Field of the South"; approximately 700,000 square feet of destination retail and entertainment space; and over 2.5 million square feet of commercial space oriented around a "green" science and technology campus targeting emerging technologies. The project is also being designed to accommodate a world-class football stadium for the San Francisco 49ers.

Land Use Type	Candlestick Point	Hunters Point	Total
Residential Units (sq. ft.)	7,850	2,650	10,500
Neighborhood Retail (sq. ft.)	125,000	125,000	250,000
Regional Retail (sq. ft.)	635,000	--	635,000
Artist's Studio (sq. ft.)	--	255,000	255,000
Office/R&D (sq. ft.)	150,000	2,500,000	2,650,000
Hotel (sq. ft.)	150,000	--	150,000
Arena (sq. ft.)	75,000	--	75,000
Open Space (acres)	96.5	242.9	339

The first phase of the Shipyard's development is already underway (Shipyard Phase 1). Up to 1,600 homes and 25 acres of open space will be built on Shipyard "Parcel A." Lennar/BVHP, the City's development partner for Shipyard Phase 1, will begin construction on the first homes in early 2009. The balance of the Shipyard development (Parcels A-3 through E) will be built in association with Candlestick Point as one development project. In May 2007, the Board of Supervisors and the Mayor approved a resolution endorsing a "Conceptual Framework" for the two sites. Building upon the Conceptual Framework, in June 2008 62 percent of San Francisco voters approved the "Bayview Jobs, Parks and Housing Initiative" (Proposition G), which outlined the goals and principles upon which the City may move forward with redevelopment of the integrated area. Next steps include the completion of the Draft Environmental Impact Report, General Plan Amendments, and the Disposition and Development Agreement between the City and the master developer for the integrated site.

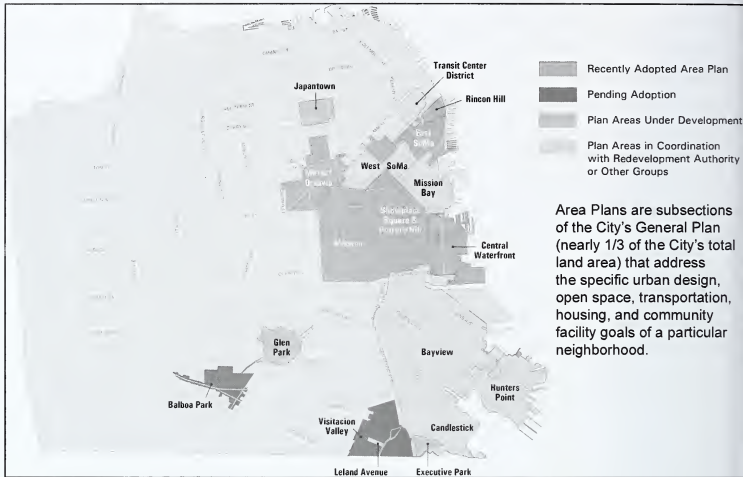


Bayview Hunter's Point &
Candlestick Point Site Plan

The integrated development of the Shipyard and Candlestick Point is one of the largest redevelopment projects in the history of San Francisco. Therefore the need for partnership among public and private agencies and community groups is virtually unprecedented. Key partners include the master developer Lennar Communities; the San Francisco Redevelopment Agency; the San Francisco Departments of Economic and Workforce Development, Recreation and Parks, and Planning; California State Parks; BVHP Project Area Committee; and the Mayor's Hunter's Point Shipyard Citizens Advisory Committee.

For more information on the Bayview Hunter's Point redevelopment area, see the San Francisco Redevelopment Agency website at: http://www.sfgov.org/site/sfra_page.asp?id=5581

D. Planning Department - Emerging Needs



The Planning Department is engaged in several community-based planning initiatives to encourage housing, enhance downtown and other neighborhoods, support infill around transit, and update zoning to accommodate growth while maintaining livability and neighborhood character. These multi-year planning programs recommend infrastructure projects to support new residential and commercial development.

This year, the Board of Supervisors adopted the Market & Octavia, Bayview, and Eastern Neighborhoods Plans. The Planning Commission has approved community plans for Visitacion Valley and Balboa Park; shown on the map as under development. The Board of Supervisors will hold hearings on these projects in early 2009. Planning processes are well underway in the other areas including Transbay, Japantown, Fisherman's Wharf, and some smaller targeted areas. These plans will include community improvements programs that recommend capital projects.

Each Area Plan contains a list of infrastructure improvements, identified through a community planning process, necessary to support planned growth in that neighborhood. These improvements are presented in the schedule at the end of this chapter and are organized by the City Department that will ultimately be responsible for their implementation.

In October 2006, the Board of Supervisors passed legislation to formalize interagency coordination for these community improvements through the establishment of the Interagency Plan Implementation Committee (IPIC). This Committee develops criteria and recommendations with respect to project implementation and funding, identifies areas for departmental and program collaboration, coordinates with each of the Area plans' Citizen Advisory Committees, and produces annual reports for the Board of Supervisors and Capital Planning Committee. Members of IPIC include the City Administrator's Office, Municipal Transportation Agency (MTA), Department of Public Works (DPW), Recreation and Parks Department (RPD), San Francisco County Transportation Authority (SFCTA), and Planning Department, among other City agencies. Representatives began meeting in October 2007.

Each Community Improvement Program effort has a partial or complete funding strategy, including new funding mechanisms such as impact fees. These fees are collected as new development occurs in each plan area. In some cases private developers may choose to complete capital projects in lieu of paying impact fees, relieving City agencies from the delivery, and in some cases maintenance, of new infrastructure. Community improvement plans also identify community based funding and implementation strategies which the IPIC reviews. In most cases, there is an unfunded balance that will require infrastructure grants, General Fund monies, or other funding mechanisms to maintain infrastructure standards in the City.

Rincon Hill

The Rincon Hill Plan provides the blueprint for a new high-density neighborhood just south of the Financial District. With over 3,600 new residential units planned in Rincon, and another 3,200 new units planned in the adjacent Transbay Redevelopment Area, this downtown neighborhood plan creates housing for over 15,000 new residents.

The Rincon Hill Plan recommends a comprehensive program of public improvements to support new residents, including extensive streetscape improvements and pedestrian safety projects along Folsom Boulevard, Main, Beale, and Spear Streets; new open space including a large proposed park on Harrison Street and a smaller "pocket park" on Guy Street; a community center at the Sailor's Union of the Pacific building; and

Successful plan implementation will not only require near term investments in the areas' streets, sidewalks and parks, but also longer term improvements to the City's infrastructure, including transit and community facilities.

enhancements to library resources. DPW, RPD, and the Library share responsibility for these Rincon Hill improvements.

Funding for these improvements will be partially provided through development impact fees in the form of direct cash payment, in-kind contributions, or participation in a Mello-Roos assessment district. However, impact fees are anticipated to cover only \$25 million of the approximately \$38 million required for all recommended projects, and other sources of funding will be required. With development activity substantially diminished, anticipated fees associated with the development is delayed, thus creating a significant shortfall to complete projects already begun and immediately anticipated.

Market & Octavia

The Market & Octavia Plan envisions 6,000 new residential units housing 10,000 additional people in the Market and Octavia neighborhood. To accommodate this projected growth, the plan calls for enhancements to parks and open space, streetscape and pedestrian rights of way, and community facilities. These enhancements include the upcoming Van Ness Bus Rapid Transit Project, new open space in McCoppin Square north of Valencia Street and Brady Park on Brady Street, new childcare facilities, enhancements to library facilities and "living streets and alleys", street tree plantings, and corner bulb-outs at key pedestrian intersections. DPW, RPD, DCYF, the MTA, and the Library will share responsibility for these improvements.

The Planning Department estimates capital improvement costs will total \$152 million dollars during the ten years of this Capital Plan (Phase I). The Department is currently evaluating potential revenue sources to meet these capital needs. Known revenue streams include an impact fee on new residential and commercial development, a density bonus program, central freeway ancillary project funds, and the Transportation Authority's funding strategy for the Van Ness Bus Rapid Transit project. These sources are anticipated to generate \$111 million over the next ten years, leaving a projected deficit of \$41 million. Potential revenue sources such as assessment districts, additional fees, and competitive grants may help close this gap. Outstanding funding issues include consideration of new operating costs and strategies to address cash flow issues associated with impact fee revenue.

Eastern Neighborhoods

The Eastern Neighborhoods re-zoning effort creates the potential for up to 10,000 new residential units, and over 13,000 new jobs. However, a significant portion of this new development will occur in formerly industrial areas lacking in the services and infrastructure necessary for a livable neighborhood.

The plans include an Improvements Program which addresses these needs. While several of the short-term improvements, programmed for the first five years of Plan implementation, have been specifically identified and designed, many of the longer-term projects are only identified in a general sense (i.e. "one new park") and their specific location and design will develop during the Plans' ongoing implementation. A prioritization and funding strategy has been developed for the short-term implementation of specified capital projects in the Eastern Neighborhoods Area, including extension of the Muni Route 22-Fillmore along 16th Street east of Kansas Street to a terminal on Third Street in Mission Bay; pedestrian improvements along Townsend Street adjacent to the Caltrain Station and to the newly renovated Victoria Manalo Draves Park from the Soma Eugene Friend Recreation Center and the Bessie Carmichael School; streetscape improvements to Folsom Street as a "civic boulevard in the South of Market and to 16th street alongside the Muni Route 22 – Fillmore extension; a new park at the existing PUC-owned surface parking lot on 17th & Folsom Streets and a new public open space within excess street right-of-way in Showplace Square.

The Planning Department estimates capital improvement costs will total up to \$400 million dollars over the life of the Plan. To meet these capital needs, the Department has identified a number of existing revenue sources, which will address \$46 million, of these costs; leaving a deficit of \$354 million. The City has also adopted new sources of funding: the Eastern Neighborhoods Impact Fee and new housing requirements, which will bring in at least \$116 million in fees, as well as create 3,000 affordable housing units. Finally, the City is continuing to evaluate future revenue sources, including active pursuit of state and federal grants, and consideration of a permanent "special fund" set aside, an infrastructure finance district ("IFD"), and/or the adoption of new state legislation to amend existing law relating to Tax increment Financing or IFDs as may be necessary or appropriate.

Balboa Park

The Balboa Park Station Area Plan lays out a two-part redevelopment vision. The first component of the vision aims to bring more housing opportunities close to transit along the main streets of Geneva, Ocean, Phelan, and San Jose Avenues, and in the area surrounding the station. These housing opportunities aim to provide approximately 1,800 housing units over the next 20 years. The second component includes dramatically re-engineering the area's public facilities and public realm, including redesigning the main streets in the plan area, improving transit service and transit facilities, and creating a new open space system comprised of parks and plazas. The Planning Department estimates capital improvement costs will total approximately \$95 million dollars, with

\$48 million dollars of public grants and programming already dedicated to funding these improvements. The Balboa Park Station Area Plan includes an impact fee which will be a new source of revenue, however there still exists a \$26 million deficit in the next ten years. The Plan identifies future *potential* revenue sources to fill roughly \$20 million of this gap.

Other Plans Under Development

The Planning Department also has several other planning efforts underway that will result in proposed public improvements, including streetscape improvements, open space acquisitions and improvements, and transportation and circulation changes. Many of these planning efforts are currently developing a community improvements program with related cost and revenue projections (see the table below for a summary of major efforts).

Plan Area	Potential Projects – 20-Year Plan Period
Visitacion Valley, In coordination with SFRA	Schlage Lock site, street grid, an open space network and other public improvements. Funding sources include private development and TIF.
Transit Center District Plan In coordination with SFRA and the Transbay Joint Powers Authority (TJPA)	<p>The Plan will result in a net addition of approximately 9 million square feet of space, including about 6 million square feet of office space, over 1,000 housing units, and additional hotel and retail space. Key capital improvements associated with the project include:</p> <ul style="list-style-type: none"> • Completion of the Transit Center project, which includes the downtown rail extension for Caltrain and High Speed Rail. • Sidewalk widening and streetscape improvements: \$120 million • Open Space: \$35 million • District Combined Heat & Power: TBD • District Recycled Water: TBD <p>New funding mechanisms tied to development will be proposed, and a large portion of this revenue will go toward the Transit Center project. There will likely be a significant capital shortfall for the Transit Center project which the TJPA is working to close.</p>

<p>Glen Park</p> <p>In coordination with MTA</p>	<ul style="list-style-type: none"> • Improvements to Diamond/Bosworth Street intersection • Roundabouts at the Bosworth/Arlington Street and Bosworth/Lyell Street • Parking meters/pay-and-display on Bosworth, Arlington and Lyell Streets • Roadway and streetscape improvements for San Jose Avenue • Remove San Jose Avenue overpass concurrent with seismic upgrade; • Traffic calming improvements • Bike network improvements • Improve ADA access to the BART station and Muni J-line platform • Accessible connection to the J-Church stop and a BART station bus loop • Streetscape improvements • Redesign and construct improvements to lower BART plaza • Open Space • Greenway Conceptual Landscape Plan <p>Funding for these projects are primarily from Federal and State grants, with the City's General Fund supporting the match requirements.</p>
<p>Japantown</p>	<p>A community planning process is currently underway, including the identification of needed community improvements.</p>
<p>Cesar Chavez Street</p> <p>In coordination with PUC, MTA, and DPW.</p>	<p>Will create a redesign for Cesar Chavez Street, including urban design, pedestrian, bicycle, traffic calming, and stormwater management improvements.</p> <p>Project has some funding from other agencies; future additional capital funding may be required.</p>
<p>Fisherman's Wharf</p> <p>In coordination with the Port.</p>	<p>Community-based planning process to improve the quality and attractiveness of pedestrian spaces in Fisherman's Wharf,</p> <ul style="list-style-type: none"> • Jefferson street redesign ~ \$14 million. Improve the space dedicated to pedestrians. • Aquatic Park Plaza ~ \$3 million. Convert surface parking lot located at the end of Jefferson Street to a pedestrian plaza. • Taylor Street Improvements ~ \$ 1million. Link the cable car turnaround to Fisherman's Wharf. • Columbus Ave Terminus at Joseph Conrad Square ~\$750,000. Link the park with adjacent sidewalk and create a plaza at Columbus Ave.

Economic Development

Program / Project	Prior Years	FY2010	FY2011	FY2012	FY2013	FY2014	FY 2015- FY 2019	PLAN TOTAL
SPENDING PLAN								
Port		47,587	29,240	32,069	34,364	58,541	251,415	2,007,323
Moscone Convention Center		21,478	20,857	24,059	19,032	24,281	38,645	148,352
Treasure Island	115,467	137,444	169,136	99,870	98,798	95,234	465,570	1,066,052
Bayview Hunter's Point	45,902	148,288	131,220	414,392	349,378	266,604	661,188	1,971,070
Planning Department	103,406	25,985	57,514	109,257	44,623	78,071	544,518	1,032,128
TOTAL	264,776	380,782	407,967	679,646	546,194	522,730	1,961,336	6,224,924
REVENUES								
Local - General Fund	0	3,060	3,547	4,005	4,461	5,435	38,645	59,153
Local - Revenue Bonds	0	70,703	13,500	49,842	2,951	0	65,000	201,997
Local - G.O. Bonds	0	12,400	17,200	0	0	0	0	29,600
Local - Operating & Tenant Responsibility	0	25,078	20,000	7,478	7,478	7,478	108,404	175,916
Local - Land-Secured Financing (TIF, IFD, Mello Roos)	0	0	252,670	154,215	202,121	207,738	1,316,722	2,133,466
Local - Tourist Improvement District Hotel Assessment	0	7,715	3,810	9,211	11,620	18,846	0	51,202
Local - Land & Acreage Sales	0	10,052	1,339	41,323	212,749	131,942	920,758	1,318,162
Local - Private Capital	161,370	285,731	123,482	360,047	246,055	154,100	15,036	1,184,451
Local - Planning Area Plan Sources	103,406	24,217	51,858	50,322	25,774	24,834	82,349	259,355
TOTAL	264,776	438,957	487,406	676,444	713,209	550,372	2,546,914	5,413,302
Total San Francisco Jobs/Year*	1,906	3,160	3,509	4,870	5,135	3,963	18,338	38,976

*This is the equivalent of job years, which are defined as one year of full-time work (e.g. Three people employed for five years = 15 job years).

Departmental Breakdown

Port of San Francisco

Program / Project

SPENDING PLAN

Facilities, by Region

BACKLOG	FY2010	FY2011	FY2012	FY2013	FY2014	FY 2015- FY 2019	PLAN TOTAL
Fisherman's Wharf	82,149	996	256	652	2,076	10,102	11,579
Northeast Waterfront	343,249	7,199	498	363	11,503	29,102	391,914
Ferry Building Area	77,447	654	248	681	4,724	7,073	90,827
South Beach	298,627	2,534		653	3,394	230	310,297
China Basin	127,820	1,755			1,685	3,567	134,827
Southern Waterfront	589,863	6,236	25	2,188	950	48,728	647,990
Portwide Misc.(Equipment, ADA Plan)	13,354						13,354
Subtotal:	1,532,509	19,374	1,027	3,856	6,151	29,194	104,908

Portwide Annual Programs

Dredging	3,000	3,000	3,000	3,000	3,000	15,000	30,000
Facility Condition Survey	339	339	339	339	339	1,696	3,392
Emergency Facility Repair	1,129	1,129	1,129	1,129	1,129	5,644	11,288
Special Area Plan	1,065	1,065	1,065	1,065	1,065	5,324	10,647
Pier/Wharf Substructure Reinvestment	21,600	22,680	22,680	22,680	23,814	118,844	254,978
Subtotal:	21,600	28,213	28,213	28,213	28,213	146,507	310,304

Total Annual Need:

Total Cumulative Need:

	47,587	29,240	32,069	34,364	58,541	251,415	2,007,323
	1,601,696	1,630,935	1,663,004	1,697,367	1,755,908	2,007,323	

REVENUES

Local - Port Tenant Responsibility						71,014	71,014
Local - Port Funds	25,078	20,000	7,478	7,478	7,478	37,390	104,902
Local - Port Revenue Bonds	60,000		39,000			65,000	164,000
Local - Development Projects							75,796
Local - Infrastructure Finance District							205,000
Local - General Obligation Bonds	12,400	17,200					29,600

Total Additional Funding:

Total Cumulative Funding:

	97,478	112,986	46,478	7,478	7,478	378,404	650,312
	97,478	210,474	256,952	264,430	271,908	650,312	

Total San Francisco Jobs/Year

	702	814	335	54	54	2,725	4,682
--	-----	-----	-----	----	----	-------	-------

Annual Surplus (Shortfall)

Cumulative Surplus (Shortfall)

	49,891	83,756	14,409	(26,886)	(51,063)	125,989	
	(1,504,218)	(1,420,461)	(1,406,052)	(1,432,937)	(1,484,000)	(1,357,011)	

Moscone Convention Center

Program / Project	BACKLOG	FY2010	FY2011	FY2012	FY2013	FY2014	FY 2015- FY 2019	PLAN TOTAL
SPENDING PLAN								
State of good repair renewal - Need		12,838	13,480	14,154	14,862	15,605	156,848	227,786
REVENUES								
Local - General Fund							37,465	37,465
Local - Revenue Bonds								
Local - Tourist Improvement District Assessment		10,703	13,500	10,842	2,951		37,465	75,462
Modernizations & Aesthetic Improvements		7,715	3,810	9,211	11,620	18,846		51,202
TOTAL		18,418	17,310	20,053	14,571	18,846	37,465	126,664
Total San Francisco Jobs/Year		133	125	144	105	136	270	912

Treasure Island Redevelopment

Program / Project	Prior Years	FY2010	FY2011	FY2012	FY2013	FY2014	FY 2015- FY 2019	PLAN TOTAL
SPENDING PLAN								
Property Acquisition/Assumption	13,467	8,978	8,978	8,978	0	0	0	26,933
Infrastructure Costs	35,799	70,217	78,409	29,331	33,166	36,649	148,686	396,459
Transportation Program (Ferry Terminal, Boats, Buses, Shuttles, Parking)	4,220	8,441	8,831	12,933	17,840	8,622	59,971	116,638
Affordable Housing	11,110	21,883	30,471	19,497	20,794	18,243	76,938	187,826
Environmental Remediation	1,030	2,194	2,477	1,842	1,313	2,172	17,052	27,050
Historic Rehab, Retail Subsidy & Fiscal Mitigation Payments	7,350	7,499	11,160	7,844	2,670	4,201	37,228	70,603
Other Costs (Entitlement, Marketing, Project Management, et al)	37,828	8,056	12,807	8,849	8,770	9,740	27,007	75,227
Inflation to Costs	4,864	10,176	16,004	10,597	14,245	15,607	98,688	165,317
TOTAL	115,467	137,444	169,136	99,870	98,798	95,234	465,570	1,066,052

REVENUES

Local - General Fund	0	0	0	0	0	0	0	0
Local - Mello Roos	0	60,399	43,994	45,000	66,796	144,538	360,728	
Local - Tax Increment Financing	0	0	0	0	53,004	228,178	281,182	
Local - Private Capital	115,467	137,444	108,737	55,876	53,798	(24,566)	92,854	424,142
TOTAL	115,467	137,444	169,136	99,870	98,798	95,234	465,570	1,066,052
Total San Francisco Jobs/Year	831	990	1,218	719	711	686	3352	7676

NOTE: cost estimates for Treasure Island are escalated at 2.5%/yr per the Pro Forma agreement rather than the 5% assumed elsewhere in the Plan.

Bayview Hunter's Point

Program / Project	Prior Years	FY2010	FY2011	FY2012	FY2013	FY2014	FY 2015- FY 2019	PLAN TOTAL
SPENDING PLAN								
Horizontal Infrastructure Costs (Transportation, Open Space)		77,107	74,271	284,851	189,660	119,569	325,979	1,071,436
Affordable Housing		23,014	23,407	91,073	68,831	56,572	195,382	464,280
Stadium Contribution		0	0	0	50,000	50,000	0	100,000
Other Costs (Taxes, Fees, Marketing, Cmty Benefits, Project Mgmt)	45,902	46,821	25,293	26,146	30,200	32,143	108,272	268,875
Initiation to Costs		1,346	2,250	12,321	10,668	8,320	31,555	66,479
TOTAL	45,902	148,288	131,220	414,392	349,378	265,604	661,188	1,971,070
REVENUES								
Local - Mello Roos		0	97,646	94,054	124,299	87,938	193,362	597,298
Local - Tax Increment Financing		0	18,829	16,167	32,822	0	545,644	613,463
Local - Land & Acreage Sales		10,052	1,339	41,323	212,749	131,942	920,758	1,318,162
Local - Private Capital	45,902	148,288	14,745	304,171	192,257	178,686	(77,818)	760,309
TOTAL	45,902	158,339	132,559	455,715	562,128	398,546	1,581,946	3,289,332
Total San Francisco Jobs/Year	330	1,140	954	3,281	4,047	2,870	11,390	23,682
Annual Cashflow								
Cumulative Cashflow								
	(45,902)	(138,236)	(13,406)	(262,848)	20,492	(46,725)	998,576	557,853
		(138,282)	(151,688)	(414,536)	(394,044)	(440,769)	557,807	

Planning - Rincon Hill

Program/Project	FY2010	FY2011	FY2012	FY2013	FY2014	FY 2015- FY 2019	PLAN TOTAL
COSTS							
Department of Parks and Recreation	2,070	0	6,078	0	4,690	0	35,019
Department of Public Works	4,067	5,209	5,348	1,276	0	0	21,550
Library Commission	0	0	729	0	0	0	1,078
Cost Total	6,137	5,209	12,155	1,276	4,690	0	57,647
REVENUES							
Local - Rincon Hill Fund Impact Fees (Cash)	0	0	0	2,419	0	0	2,419
Local - Rincon Hill Fund Impact Fees (In-Kind)	2,373	0	0	4,500	0	0	6,500
Local - Rincon Hill Fund Impact Fees (Mello-Roos)	3,162	5,863	0	0	0	0	10,601
Revenue Total	5,535	5,863	0	6,919	0	0	19,520
Total San Francisco Jobs/Year	40	42	0	50	0	0	141
Surplus/(Deficit) Annual							
Cumulative	(309)	1,363	(10,000)	5,919	(3,500)	0	(12,580)
	0	(5,308)	(15,308)	(9,389)	(12,889)	(12,889)	(62,455)

Planning - Market & Octavia

Program/Project

Prior Years	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015- FY 2019	PLAN TOTAL
SPENDING PLAN							
Department of Parks and Recreation	1,575	3,124	10,185	6,372	7,369	39,011	79,697
Department of Public Works	50,215	1,548	1,939	2,100	5,248	9,844	26,473
Municipal Transportation Agency	0	33,534	42,483	3,990	3,079	7,473	132,376
Department of Children, Youth, and their Families	0	1,754	2,324	2,142	2,685	12,788	26,194
Library Commission	0	40	94	67	116	279	743
Planning Department	273	0	0	0	67	86	180
Program Administration	0	404	445	467	490	3,130	6,573
Cost Total	52,063	1,074	57,469	15,138	19,056	72,411	272,236

REVENUES

Local - Market and Octavia Improvements Fund	0	2,760	4,772	5,100	8,494	15,939	40,459
Local - Van Ness Market Density Bonus Program	0	0	3,987	0	4,200	1,978	10,165
Mix - Van Ness BRT Project	0	0	28,295	0	0	0	56,590
Local - Central Freeway Ancillary Funds	0	1,127	1,127	0	0	0	3,756
Mix - Other Sources	49,584	0	0	0	0	0	0
Revenue Total	49,584	33,192	38,181	5,100	12,694	17,917	110,970
Total San Francisco Jobs/Year	357	28	275	37	91	129	799

Surplus/Deficit Annual

Cumulative	0	2,912	(9,099)	(6,761)	(1,526)	(24,420)	(40,621)
	0	0	(7,914)	(14,676)	(16,201)	(40,621)	

Planning - Eastern Neighborhoods

Program/Project

Prior Years	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015- FY 2019	PLAN TOTAL
SPENDING PLAN							
Department of Parks and Recreation	0	0	10,940	13,784	26,802	105,357	182,100
Department of Public Works	0	2,756	26,741	0	16,081	85,517	155,342
Municipal Transportation Agency	0	0	0	10,338	0	248,438	275,406
Department of Children, Youth, and their Families	0	1,378	1,519	1,595	1,675	10,680	22,448
Library Commission	0	118	130	136	143	912	1,916
Planning Department	0	110	0	0	0	0	180
Program Administration	0	0	0	0	0	0	0
Cost Total	0	4,362	39,330	25,853	44,701	450,914	637,392

REVENUES										
Local - EN Community Improvements Fund	0	11,600	11,600	11,600	11,600	0	0	0	0	0
Local - Potential tax Increment	0	0	0	0	0	0	0	0	0	0
Mix - Other Sources/ Grants	0	0	0	0	0	0	0	0	0	0
Revenue Total	0	11,600	11,600	11,600	11,600	11,600	11,600	58,000	116,000	116,000
Total San Francisco Jobs/Year	0	84	84	84	84	84	84	418	418	835
Surplus/(Deficit) Annual	0	7,643	10,243	(20,757)	(8,657)	(21,757)	(205,640)	(238,924)	(238,924)	0
Cumulative	0	0	17,887	(2,870)	(11,527)	(33,284)	(238,924)			

Planning - Balboa Park										
Program/Project	Prior Years	FY2010	FY2011	FY2012	FY2013	FY2014	FY 2015- FY 2019	PLAN TOTAL		

SPENDING PLAN										
Department of Parks and Recreation	0	0	4,253	0	0	1,571	17,240	26,806		
Department of Public Works	0	0	0	0	1,361	0	1,824	3,831		
Municipal Transportation Agency	0	6,106	5,134	0	447	7,719	0	28,882		
Department of Children, Youth, and their Families	0	0	385	202	212	223	1,422	2,985		
Library Commission	0	0	35	18	19	20	130	272		
Planning Department	0	0	156	82	86	91	578	1,214		
Public Utilities Commission	0	0	347	0	0	0	0	539		
Mayor's Office of Economic and Workforce Development	0	0	0	0	230	0	0	323		
Cost Total	0	6,106	10,311	303	2,356	9,623	21,194	64,852		

REVENUES										
Local - Balboa Park Community Improvements Fund	0	1,993	1,203	540	2,155	540	6,432	12,864		
Local - other sources	48,286	0	0	0	0	0	0	0		
Mix - Other Sources	0	0	0	0	0	0	0	0		
Revenue Total	48,286	1,993	1,203	540	2,155	540	6,432	12,864		
Total San Francisco Jobs/Year	348	14	9	4	16	4	46	93		

Surplus/(Deficit) Annual										
Cumulative	48,286	(4,113)	(9,108)	238	(200)	(9,083)	(14,762)	(51,988)		
	0		(13,221)	(12,983)	(13,183)	(22,266)	(37,028)			

Planning Department Total										PLAN
Program/Project	Prior Years	FY2010	FY2011	FY2012	FY2013	FY2014	FY 2015- FY 2019	TOTAL	PLAN TOTAL	
SPENDING PLAN										
Department of Park and Recreation	3,472	12,128	7,377	27,202	20,155	40,432	161,609	323,622	323,622	
Department of Public Works	51,697	5,742	6,757	34,028	4,738	21,330	96,986	207,196	207,196	
Municipal Transportation Agency	0	6,106	38,668	42,483	14,775	10,798	255,911	436,665	436,665	
Department of Children and Family Services	0	1,378	3,586	4,045	3,950	4,583	24,899	51,628	51,628	
Library Commission	0	118	199	971	222	280	1,321	4,009	4,009	
Planning Department	260	110	156	82	86	158	663	1,573	1,573	
Public Utilities Commission	0	0	347	0	0	0	0	539	539	
Mayor's Office of Economic and Workforce Development	0	0	0	0	230	0	0	323	323	
Program Administration	0	404	424	445	467	490	3,130	6,573	6,573	
Cost Total	55,429	25,985	57,514	109,257	44,823	78,071	544,518	1,032,128	1,032,128	
REVENUES										
Revenue Total	103,406	24,217	51,858	50,322	25,774	24,834	82,349	259,355	259,355	
Total San Francisco Jobs/Year	745	174	373	362	186	179	593	1667	1667	
Surplus/(Deficit) Annual										
Cumulative	47,977	(1,768)	(5,656)	(58,935)	(18,848)	(53,236)	(462,169)	(772,773)	(772,773)	
			(7,424)	(66,359)	(85,208)	(138,444)	(600,613)		(600,613)	



Section 8 | General Government

A.	Renewal Program	167
B.	Enhancement Program (FY2010 – FY2019)	168
C.	Deferred Projects & Emerging Needs	169
D.	Financial Schedules	170

VIII. General Government



The table below lists the key facilities operated and maintained by the Department of Public Works (DPW), the Department of Technology (DT) and the General Services Agency (GSA).

Map ID	Facility	Map ID	Facility
1,2	Moscone Convention & Visitors Bureaus/Hallidie Plaza	9	1660 Mission Street
3	Power House	10	1680 Mission Street
4	Superior Courts Building	11	Animal Control Facility
5	City Hall	12	DT Central Radio Station – Twin Peaks
6	240 Van Ness (inactive)	13	DPW Corporation Yard
7	25 Van Ness	14	Produce Market- Central
8	30 Van Ness	15	Central Shops (Jerrold Avenue & Toland Street)
9	1650 Mission Street	16	DT Admin & Shops

General Government

The City owns more than two million square feet of office facilities, primarily in the Civic Center, and operates several industrial/corporate yards to support the operations of multiple departments. The key facilities are listed in the table below.

Highlights and Accomplishments

The City has acquired office buildings during the past several years as part of an effort to move city offices from leased to owned space. These acquisitions offer protection from market fluctuations in rental rates, enhance planning processes due to permanence of ownership, and provide greater flexibility with respect to modifying space. Over the calendar year 2008, moves have occurred from space leased at 875 Stevenson to 1650 Mission Street, a building purchased by the City in May of 2007, involving In-Home Supportive Services and other Human Services Agency divisions, and from a lease (now terminated) at 44 Gough Street to 1 South Van Ness by the Department of Human Resources. In addition, there are several moves planned to consolidate SFMTA staff on the 6th and 8th floors of 1 South Van Ness from various locations in the Spring of 2009. The Department of Public Works recently completed consolidation and space improvements at the Bureau of Architecture's offices at 30 Van Ness, and the Department of Emergency Management consolidated two separate offices into one location on the 3rd floor of 30 Van Ness.

The City has completed several roof replacements at Civic Center facilities, including 25 and 30 Van Ness and 1650 Mission and is currently replacing the roof at 1 South Van Ness. All of these projects, except at 30 Van Ness, are funded with Certificates of Participation (C.O.P.s) from the purchase of the buildings. LEED-EB certification is anticipated for 1 South Van Ness in the coming year because of restroom facility improvements, a new bike room, a living roof element, energy efficient lighting and other enhancements. In addition to these improvements, the City will invest in new generators and system improvements at City Hall, 1 South Van Ness, 25 Van Ness and 1650 Mission, which are all designated as Department Operations Centers (DOCs).

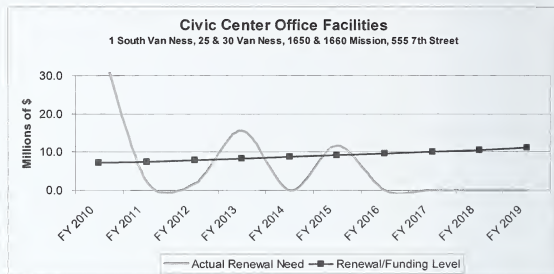
The City uses a below-market rental rate for occupant departments in several Civic Center facilities. The low rate is possible due to cost savings realized from new janitorial and security third-party contracts issued in the past year and through Real Estate's pooling of limited property management resources to serve the entire civic center campus more efficiently.

For General Government facilities, the capital plan proposes \$138 million in investments, which is a 34 percent decrease from last year.

1. Renewal Program

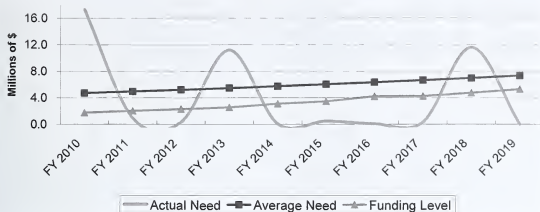
This year's plan assumes the same approach to funding renewal costs for Office and Support facilities. The renewal costs for six Civic Center office buildings operated by the City Administrator's Office will be covered through rent payments from occupying departments. Tying renewal costs to rent provides a more secure source of revenue for building maintenance and better reflects the true cost of occupying the space. The buildings included in this arrangement are 25 Van Ness, 30 Van Ness, 1650 Mission, 1660 Mission, 555 7th Street, and 1 South Van Ness.

According to FRRM, the renewal cost for these six buildings is approximately \$90 million over the next ten years, an increase of about ten percent from last year. This is a result of standard fluctuations in renewal needs. Although these costs are fully funded through rent payments, the existing backlog of deferred maintenance is more than \$1.1 million.



For the remaining City Office and Other Support facilities, the renewal costs are estimated to be \$60 million over the ten-year plan cycle. Given funding constraints, the plan allocates almost \$34 million to meet these needs. No funds are proposed to reduce the existing \$13 million backlog of deferred maintenance. The top line in the table at the end of this chapter shows the renewal need for these facilities.

General Government Facilities



The graph at left shows annual variations in facility needs as well as a ten-year average of these needs. The gap between annual renewal need and funding shrinks from \$3.0 million in 2010 to \$2.1 million in 2019. Including the Civic Center Office Facilities, the Plan proposes funding \$123 million of the \$149 million total renewal need (84%) over the ten-year period.



The roof at Alemany Market, one of several facilities the General Services Agency maintains, is being repaired with funding appropriated in FY 2008-2009.

2. Enhancement Program (FY2010 – FY2014)

The only significant enhancement proposed in the first five years of the plan is the relocation of the data center.

- Data Center Relocation.** The current data center is in leased space at One Market Plaza. It has been the City's central data center for nearly a decade and is in need of significant repairs and upgrades. In collaboration with the Real Estate Division, DPW, the Capital Planning Program, and the Office of Public Finance, DT is in the process of evaluating potential sites. The plan recommends investments totaling \$12.4 million for basic infrastructure and tenant improvements. Cost estimates for this project may change after the DT determines the power needs and appropriate size of the new data center. These costs do not include information systems purchases (hardware, server racks, software, etc.) that would be funded through the City's Committee on Information Technology budget allocation process.

3. Enhancement Program (FY2015 – FY2019)

There are no enhancements proposed during the second half of the ten-year capital plan. All of these investments address moderate seismic and facility modernization needs.

4. Deferred Projects

In addition to the existing backlog of deferred maintenance identified in the renewal section, the proposed ten-year capital plan defers another \$143 million in enhancements. These include the following:

- **Industrial and Corporate Yard Modernization.** Estimated to cost more than \$111 million, the renovation and seismic upgrade of GSA's Central Shops, DPW Corporate Yard, and DT's Communications Services Industrial Yard are deferred from the plan.
- **240 Van Ness Seismic Upgrade.** This seismically unsafe, unreinforced masonry building has been inactive since 1989. Due to more pressing capital needs at currently active facilities, the plan does not propose investing the \$24 million needed to reopen this facility.
- **Asphalt Plant Upgrade.** The estimated cost to upgrade the plant to allow for greater use of recycled content is more than \$5.5 million. The plan defers this investment need, pending policy options currently under consideration by the Mayor's Office and Board of Supervisors.

5. Emerging Needs

The need or amount of capital investment required to meet the following emerging needs are not funded in this year's plan but will be reviewed in the subsequent year's capital plan as additional planning and uncertainty around project-specific issues are resolved.

- **Communications System Modernizations.** The need for improvements to the communications system will be refined in future plans. Identified needs include the replacement of the 800 MHz radio system and rented T-1 lines with City-owned fiber, an expansion of the Twin Peaks radio tower site, replacement of microwave links, and upgrades to the voice network. More information will be available once the Telecommunications Plan is complete.

General Government

Program / Project	FY2010	FY2011	FY2012	FY2013	FY2014	FY 2015-	PLAN
State of good repair renewal - Need	11,870	12,464	13,087	13,741	14,428	83,711	149,301
							13,926
SPENDING PLAN							
State of good repair renewal - Proposed Uses	9,291	9,514	10,150	10,802	11,769	72,319	123,844
ADA Transition Plan Improvements		111	289	577			978
Enhancements		13,100					13,100
TOTAL	9,291	22,726	10,439	11,379	11,769	72,319	137,922
							192,866
REVENUES							
Local	9,291	22,726	10,439	11,379	11,769	72,319	137,922
TOTAL	9,291	22,726	10,439	11,379	11,769	72,319	137,922
Total San Francisco Jobs/Year	67	164	75	82	85	521	993

*This is the equivalent of job years, which are defined as one year of full-time work (e.g. Three people employed for five years = 15 job years).

Departmental Breakdown

Department of Public Works

Program / Project	FY2010	FY2011	FY2012	FY2013	FY2014	FY 2015-	PLAN
State of good repair renewal - Need	724	760	798	838	880	5,105	9,104
SPENDING PLAN							
State of good repair renewal	284	266	301	335	408	2,900	4,494
ADA transition plan improvements							6,124
DPW Corporate Yard Modernization							86,779
Asphalt Plant							5,485
1680 Mission Emergency Generator							4,005
TOTAL	284	266	301	335	408	2,900	4,494
							82,393
REVENUES							
Local - General Fund	284	266	301	335	408	2,900	4,494
TOTAL	284	266	301	335	408	2,900	4,494
Total San Francisco Jobs/Year	2	2	2	2	3	21	32

Department of Technology

Program / Project	FY2010	FY2011	FY2012	FY2013	FY2014	FY 2015- FY 2019	PLAN TOTAL
State of good repair renewal - Need	439	461	484	508	534	3,096	5,522
<u>SPENDING PLAN</u>							<u>DEFERRED</u>
State of good repair renewal	172	161	182	203	247	1,759	2,726
ADA transition plan improvements		66	289	152			507
Communications Services Industrial Yard Modernization							31,971
CCSF Data Center Renovation or Relocation		13,100					13,100
TOTAL	172	13,328	472	355	247	1,759	16,333
							35,685

REVENUES

Local - General Fund	172	228	472	355	247	1,759	3,233
Local - General Fund Debt		13,100					13,100
TOTAL	172	13,328	472	355	247	1,759	16,333
Total San Francisco Jobs/Year	1	96	3	3	2	13	118

General Services Agency

Program / Project	FY2010	FY2011	FY2012	FY2013	FY2014	FY 2015- FY 2019	PLAN TOTAL
State of good repair renewal - Need	10,707	11,243	11,805	12,395	13,015	75,510	134,674
							13,926
<u>SPENDING PLAN</u>							<u>DEFERRED</u>
State of good repair renewal	1,692	1,587	1,792	1,995	2,431	17,286	26,783
State of good repair and renewal - Civic Center Office Facilities*	7,143	7,500	7,875	8,269	8,682	50,373	89,842
ADA transition plan improvements		45		425			471
240 Van Ness Seismic Improvement							23,759
Central Shops Renovation and Seismic Upgrade							12,815
TOTAL	8,835	9,132	9,667	10,689	11,113	67,659	117,095
							74,788

REVENUES

Local - General Fund	1,692	1,632	1,792	2,421	2,431	17,286	27,254
Local - Rent	7,143	7,500	7,875	8,269	8,682	50,373	89,842
TOTAL	8,835	9,132	9,667	10,689	11,113	67,659	117,095
Total San Francisco Jobs/Year	64	66	70	77	80	487	843

* Civic Center office facilities include 1 South Van Ness, 25 Van Ness, 30 Van Ness, 1650 Mission, 1660 Mission and 555 7th Street.

Section **9** | **Appendix**

A.	Administrative Code Section 3.20	173
B.	Job Creation Estimate Methodology	175
C.	Funding Principles	177
D.	Methodology, Assumptions and Terms	178

A. Administrative Code Section 3.20

SEC. 3.20. CAPITAL EXPENDITURE PLAN.

By March 1 of each year, the City Administrator shall annually submit to the Mayor and Board of Supervisors a ten-year capital expenditure plan which shall include an assessment of the City's capital infrastructure needs, investments required to meet the needs identified through this assessment, and a plan of finance to fund these investments. By May 1 of each year, the Mayor and Board of Supervisors shall annually review, update, amend, and adopt by resolution the ten-year capital expenditure plan.

The capital expenditure plan shall include all recommended capital project investments for each year of the plan. The plan shall incorporate all major planned investments to maintain, repair, and improve the condition of the City's capital assets, including but not limited to city streets, sidewalks, parks, and rights-of-way; public transit infrastructure; airport and port; water, sewer, and power utilities; and all City-owned facilities.

The capital expenditure plan shall include a plan of finance for all recommended investments, including proposed uses of General and Enterprise Funds to be spent to meet these requirements. Additionally, the plan shall recommend the use and timing of long-term debt to fund planned capital expenditures, including General Obligation bond measures.

The capital expenditure plan shall include a summary of operating costs and impacts on City operations that are projected to result from capital investments recommended in the plan. This operations review shall include expected changes in the cost and quality of City service delivery.

The plan shall also include a summary and description of projects deferred from the ten-year capital expenditure plan given non-availability of funding necessary to meet assessed capital needs. (Added by Ord. 216-05, File No. 050920, App. 8/19/2005) (Former Sec. 3.20 added by Ord. 223-97, App. 6/6/97; amended by Ord. 55-98, App. 2/20/98; repealed by Ord. 216-05)

SEC. 3.21. CAPITAL PLANNING COMMITTEE.

There is hereby created a Capital Planning Committee consisting of the City Administrator as chair, the President of the Board of Supervisors, the Mayor's Finance Director, the Controller, the City Planning Director, the Director of Public Works, the Airport Director, the Executive Director of the Municipal Transportation Agency, the General Manager of the Public Utilities System, the General Manager of the Recreation and Parks Department, and the Executive Director of the Port of San Francisco. Each member of the Capital Planning Committee may designate a person to represent her or him as a voting member of the Committee. Such designations shall be in written documents signed by the designating member and filed with the City Administrator, or her or his designee.

The mission of the Capital Planning Committee is to review the proposed capital expenditure plan and to monitor the City's ongoing compliance with the final adopted capital plan. As such, the Capital Planning Committee shall (1) establish prioritization and assessment criteria to assist the City Administrator with the development of the capital expenditure plan, (2) annually review the City Administrator's proposed capital expenditure plan prior to its submission to the Mayor and Board of Supervisors, and (3) review the annual budget and any proposed use of long-term debt, including General Obligation bonds, to ensure compliance with the adopted capital expenditure plan.

The Board of Supervisors shall not place on the ballot, or authorize the issuance of any long term financing, until the Capital Planning Committee completes a review of the proposal and submits its recommendation to the Board of Supervisors. Each proposal shall be in form and substance satisfactory to the Committee, and shall be accompanied by descriptive financial, architectural, and/or engineering data, and all other pertinent material in sufficiently complete detail to permit the Committee to review all aspects of the proposal. The Committee shall submit a written report to the Mayor and the Board analyzing the feasibility, cost, and priority of each proposal relative to the City's capital expenditure plan.

The Chair of the Capital Planning Committee is hereby authorized to adopt such rules, definitions, and procedures as are necessary to meet the requirements described in Section 3.20 and 3.21. (Added by Ord. 216-05, File No. 050920, App. 8/19/2005) (Former Sec. 3.21 added by Ord. 223-97, App. 6/6/97; repealed by Ord. 216-05)

B. Job Creation Estimate Methodology

In an effort to better evaluate and prioritize capital projects, local governments are examining not only upfront financial costs but also their contributions of direct and indirect jobs generated by the capital investment. The City and County of San Francisco's FY 2010-2019 Capital Plan estimates nearly \$10 billion in capital projects during the next 5 years, which will create as many as 201,000 San Francisco jobs. A job is defined as one job year of full-time work. For example, five people employed for four years equals 20 job years. This jobs estimate is based on the REMI Policy Insight model which attributes 7.2 direct and indirect San Francisco jobs per million dollars in construction spending. This is exclusive of the additional jobs created outside of the City and County as workers and materials migrate in from surrounding areas.

REMI Model as the Standard

The Capital Plan recommends all departments to the greatest extent possible use the REMI model in estimating job creation. While there are several models available for estimating job creation associated with construction projects, the Controller's Office of Economic Analysis uses REMI. Other models available include the U.S. Department of Commerce's Regional Input-Output Modeling System (RIMS II) and Minnesota IMPLAN Group's IMPLAN.

All of these models capture not only direct construction jobs, but also the secondary intermediate and induced jobs. Intermediate jobs are created from the manufacturing of steel, concrete, and other materials required for construction. Induced jobs are a result of new employees re-spending their wages. These models also account for inter-industry relationships, trading patterns within the region, and differences in economic geography. Although the models are based on similar concepts there are differences in the level of complexity, with RIMS II being the simplest, and REMI being the most complex.

Customized for San Francisco, REMI has the unique ability to determine the effects of taxes and other variables on the local economy. As a result, the Controller's Office of Economic Analysis uses this model for analyzing the economic impact of pending legislation.

The table on the following page summarizes the number of job years from the REMI model based on \$1 million of construction spending in San Francisco. As indicated, each \$1 million invested in construction activities results in about 7.2 direct construction jobs, 7.2 total direct and indirect jobs, and about 2.3 indirect jobs in the various economic sectors noted above. Stated another way, for each direct construction job, there are about 1.46 total jobs (7.2/4.9), or a construction job multiplier of 1.46.

Estimated Jobs Created from Construction Spending in San Francisco

Economic Sector	Total Jobs per \$1 M Construction Spending
Construction	4.93
Retail Trade	0.51
Professional & Technical Services	0.35
Accommodations, Food Services	0.23
Admin, Waste Services	0.22
Health Care, Social Assistance	0.19
Other Services (excl Government)	0.16
Real Estate, Rental, Leasing	0.10
Wholesale Trade	0.09
Educational Services	0.08
Arts, Enter, Recreation	0.08
Finance, Insurance	0.07
Manufacturing	0.06
Transportation & Warehousing	0.06
Information	0.05
Management	0.02
Total Jobs	7.20
Construction Multiplier	1.46

Source: Economic Multipliers from Office of Economic Analysis,
Controller's Office REMI Model Outputs from \$1M construction spending.

REMI vs. Other Models

For comparison purposes, the table below presents the range of job years for both REMI and RIMS II. Please note that the job estimates are equivalent to job years.

Job Years from FY 2010-19 Capital Plan Investments

	REMI		RIMS II (SF Only)		RIMS II (Multi-County)	
	Direct	Total	Direct	Total	Direct	Total
<i>Jobs per \$1M spending</i>	4.9	7.2	2.4	4.0	6.9	13.3
GF Departments	20,386	29,773	10,017	16,445	28,554	54,949
Enterprise Departments	65,714	95,971	32,288	53,011	92,042	177,126
External Agencies	51,851	75,726	25,477	41,828	72,625	139,760
TOTAL	137,951	201,470	67,782	111,284	193,221	371,835

C. Funding Principles

	Criteria Description	Criteria Measurement
Priority 1	<p>Improvement is necessary to comply with a federal, state, or local legal mandate.</p> <p>The City faces a wide range of directives to improve its facilities, some with significant consequences for failure to perform.</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Action is mandated or required by local, state, or federal law, legal judgment or court order. <input type="checkbox"/> Action reduces the City's exposure to legal liability. <input type="checkbox"/> There are significant legal, financial, operating, or accreditation consequences for failure to perform.
Priority 2	<p>Provides for the imminent life, health, safety and security of occupants and the public or prevents the loss of use of the asset.</p> <p>Capital projects that minimize physical danger to those who use and work in City facilities, including protection during seismic events and exposure to hazardous materials.</p>	<ul style="list-style-type: none"> <input type="checkbox"/> The facility has a poor seismic rating with a high risk of collapse or structural damage. <input type="checkbox"/> Increases resiliency to withstand and recover from a disaster, particularly in critical facilities (i.e., hospitals, police and fire stations, jails, sewer system, pump stations, etc). <input type="checkbox"/> Mitigates hazardous materials and/or protects the vital environmental health of those who visit, use, and work in City facilities.
Priority 3	<p>Ensures timely maintenance and renewal of existing infrastructure.</p> <p>It is imperative to maintain the City's infrastructure. However, the lack of maintenance at some facilities will have a greater effect on the asset's value and/or future repair and replacement costs.</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Failure to implement project risks potential loss or reduces the useful life of a City asset's value. <input type="checkbox"/> The facility provides government services that cannot be provided at another location.
Priority 4	<p>Supports formal programs or objectives of an adopted plan or action by the Board or Mayor.</p> <p>Capital investments should be integrated with adopted departmental and citywide long-term goals and objectives.</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Supports a formally adopted plan or action by the Board of Supervisors or Mayor, (i.e., the City's General Plan or Neighborhood Area Plan) <input type="checkbox"/> Makes a substantial contribution to a broadly-accepted citywide goal (i.e., ecological sustainability or historic preservation)
Priority 5	<p>Enhances the City's economic vitality by stimulating the local economy, increasing revenue, improving government effectiveness, or reducing operating costs.</p> <p>Some projects have a direct or indirect effect on the City's revenues or expenditures. Cost savings or revenue enhancements may help offset the cost to the City of some capital investments.</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Generates direct (increased service charges, leases, fees, grants, gifts, or other sources) or indirect (economic development, an increased tax base, business attraction or retention, or other sources) revenues. <input type="checkbox"/> Reduces maintenance or operating costs (i.e., through capital renewal, building redesign, or reduced staffing needs). <input type="checkbox"/> Improves government effectiveness and efficiency in the delivery of services (i.e., faster response times, improved customer service, or increased departmental coordination).

D. Methodology, Assumptions & Terms

A. Methodology

Under direction of the City Administrator, department staff annually assesses facility conditions, determines renewal cost projections and proposed enhancements, and analyzes available funding resources to prepare a ten-year capital plan.

Through a series of meetings the CPC reviews proposals, staff recommendations, and documents toward the development of the citywide capital plan. These reviews do not, and are not meant to, replace the authority of department commissions' or other oversight bodies under the City Charter and other codes. Rather, the ten-year plan is meant to provide a forum that examines capital needs from a citywide perspective and to foster a dialogue on those needs between stakeholders, commissions, the Mayor, and the Board of Supervisors.

Staff uses two approaches to collect data for the Plan. The Facilities Renewal Resource Model (FRRM) is used to collect information on the good repair and maintenance of facilities and infrastructure (also known as renewals) for all of the General Fund departments. The Airport, Port, and MTA have implemented this model for their facilities as well. In addition, General Fund departments submitted enhancement requests using the Capital Planning and Reporting database (CPR-d). These proposals were reviewed by professional staff (e.g., architects, engineers, etc.) and categorized as a funded, deferred, or emerging needs.

- **Facilities Renewal Resource Model (FRRM)**

For the third year, the City used the facility life-cycle model, to predict annual funding requirements for General Fund department facilities. The objectives of the facility modeling effort are listed below.

- i. Develop a budget model to predict annual funding requirements for facilities renewal and document the existing backlog of deferred maintenance in a consistent way for all departments.
- ii. Provide a basis for a funding plan that will first address adequate resources for renewal and then a reduction of the deferred maintenance backlog.
- iii. Create consistent and comparative data among departments for determining funding allocations and targets for addressing renewal as a part of operating or capital budgets.

- iv. Deliver a cost model to each department with associated staff training so that facilities renewal and deferred maintenance needs can be updated annually and progress in meeting those needs can be measured.
- v. Provide a planning tool for departmental use which provides a useful life "systems" profile of each building, as a way of predicting future funding needs or packaging projects to leverage fund sources.
- vi. Develop a credible model to assess needs consistently and to focus on total funding needs and strategies.

The model uses San Francisco building information (gross square feet, construction date, facility subsystem type), and an approach based on subsystem life cycles and replacement costs to estimate the backlog of deferred maintenance and future capital reinvestment needs. Below is the ten-year renewal forecast report generated by FRRM for a particular facility. This report – one of dozens available – shows subsystems within the building that need to be replaced during the next 10 years and the

Building name: SFGH - NEW HOSPITAL (BLDG 5)				CRV(\$000's) \$404,250		Bldg no 912		GSF 617,400		Year Built 1974		FCI C 00	
Backlog and 10 year Renewal Forecast by Building (\$000's)													
Subsystem	Backlog	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Total	
a.3. Roofing - Mmbm,Built-up,Shingle	\$0	\$657	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$657	
Bitumin	\$0	\$0	\$255	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$255	
b.1. Building Extensors (Hard)	\$0	\$1,908	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,908	
c.1. Elevators and Conveying Systems	\$0	\$0	\$3,127	\$0	\$3,127	\$0	\$2,943	\$0	\$0	\$0	\$0	\$9,196	
d.1. HVAC - Equipment	\$0	\$0	\$8,235	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,235	
d.2. HVAC - Controls	\$0	\$0	\$4,190	\$0	\$4,190	\$0	\$3,944	\$0	\$0	\$0	\$0	\$12,324	
e.1. HVAC - Distribution Systems	\$0	\$0	\$0	\$0	\$0	\$0	\$19,940	\$0	\$0	\$0	\$0	\$19,940	
f.1. Electrical Equipment	\$0	\$0	\$2,392	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,392	
g.1. Plumbing Fixtures	\$0	\$414	\$0	\$0	\$829	\$0	\$1,036	\$414	\$1,036	\$414	\$0	\$4,143	
i.1. Fire Protection Systems	\$0	\$0	\$0	\$0	\$0	\$0	\$2,589	\$0	\$0	\$0	\$0	\$2,589	
i.2. Fire Detection Systems	\$0	\$0	\$3,485	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,485	
k.1. Built-in Equipment and Specialties	\$0	\$3,935	\$0	\$3,935	\$0	\$3,935	\$0	\$3,935	\$0	\$3,935	\$0	\$19,665	
k.2. Hospital Equipment	\$0	\$1,036	\$0	\$0	\$0	\$1,036	\$0	\$0	\$0	\$0	\$0	\$2,071	
l.2. Interior Finishes	\$0	\$7,960	\$19,984	\$3,935	\$8,146	\$4,070	\$7,923	\$26,878	\$1,036	\$4,349	\$0	\$54,871	
Total by building	\$0	\$7,960	\$19,984	\$3,935	\$8,146	\$4,070	\$7,923	\$26,878	\$1,036	\$4,349	\$0	\$54,871	

corresponding cost (in thousands). A variety of other reports are available for further analysis.

Each department maintains the model, with the capability of summarizing information at both the department and citywide level. The model has a great deal of built-in flexibility that allows the city to enter new data and even change the underlying assumptions in future years.

The FY 2009-2018 Capital Plan reflects renewal data collected from August through

December 2007, and includes detailed information for each General Fund department. These findings are summarized in the renewal graphs and the renewal line of the financial summary schedules for each of the General Fund service areas found in Section II of this report.

B. Assumptions

- The Plan assumes an annual escalation rate of five percent for all projects unless otherwise noted.
- Fiscal years (FY) in the Plan refer to the calendar year in which the City's July 1 to June 30 budget cycle ends. For example, FY 2010 equals the calendar year dates from July 1, 2009 to June 30, 2010.
- Dollars are listed in thousands for all financial schedules unless otherwise noted.
- For all proposed General Obligation bonds, the financial schedules show the total bond amount in the fiscal year during which the bond is to be approved by voters. For example, a G.O. bond proposal on the November 2009 ballot will appear in FY 2010 of the financial schedule.
- The General Obligation bond program assumes annual growth in Net Assessed Value (NAV) of 4.5 percent.
- When issued, G.O. bonds proposed by this Plan will not increase voters' long-term property tax rates above FY 2006 levels. In other words, new G.O. bonds will only be used as a funding source when existing approved and issued debt is retired and/or the property tax base grows only issues new bonds when old ones are retired..
- The General Fund Debt program assumes that the amount of General Fund revenues spent on debt service will not exceed 3.25 percent.
- The Pay-as-you-go program assumes only General Fund revenue sources.

C. General Terms

Commonly used terms throughout the Plan are defined below.

- **Routine Maintenance.** Projects provide for the day-to-day maintenance of existing buildings and infrastructure, including labor costs. Unlike renewals and enhancements, these are annual projects.
- **Renewals.** Investments to preserve or extend the useful life of facilities and

infrastructure. Examples of renewal projects include the repair and replacement of major building systems including the roof, exterior walls and windows, and heating and cooling systems; street resurfacing; and the repair and replacement of infrastructure in the public right-of-way, including sidewalks and street structures.

Since renewal projects tend to be smaller investments compared with investments needed to replace entire facilities, the proposed plan funds the majority of these needs through pay-as-you-go cash revenue sources, typically appropriated through the City's annual budget process.

- **Enhancements.** Investments that increase an asset's value or useful life and/or change its use. These typically result from the passage of new laws or mandates, functional changes, or technological advancements. Examples include purchasing or building a new facility or park; major renovations of or additions to an existing facility; accessibility improvements to comply with the Americans with Disabilities Act (ADA); and planting new street trees.

While enhancements can be small-scale projects such as the removal of barriers to comply with ADA requirements, these typically are large-scale, multi-year, projects such as renovations, additions, or new facilities. While some project costs can be funded with pay-as-you-go sources, most enhancements require debt financing through the issuance of General Obligation (G.O.) bonds, Certificates of Participation (C.O.P.s) or lease revenue bonds.

- **Job Years.** This is defined as one year of full-time work. For example, three people employed for five years represent 15 job years.
- **Pay-As-You-Go.** This refers to the funding of capital projects with current revenue on an annual basis rather than long-term debt. Pay-as-you-go projects are typically funded by General Fund revenues.
- **Capital Project.** A capital projects is a major construction and improvement project, including the planning and design phases, such as the resurfacing of a street, the construction of a new school, bridge, or community center.
- **General Obligation Bonds (G.O. Bonds).** A general obligation bond is a municipal bond backed by property tax revenues. G.O. Bonds are appropriately used for the construction and/or acquisition of improvements to real property broadly available to the residents and visitors of San Francisco.
- **Debt Service.** The annual payment of principal and interest on the City's bonded debt.

- **Certificates of Participation (COPs).** COPs are a commonly used form of lease financing for capital improvement projects or purchases of essential equipment in which the debt service on the financing is secured by an underlying lease structure.
- **Revenue Bond.** A bond issued by the City to build, acquire, or improve a revenue-producing property. Unlike G.O. bonds, which carry the full faith and credit of the issuing agency and are repaid primarily through property tax revenues, revenue bonds are repaid from a specified revenue source, usually the revenues from the facility for which the bond was originally issued.
- **Deferred Project.** These are projects not funded in the Plan either due to lack of funding or the timeline of the project falling outside of the ten-year planning cycle.
- **Emerging Need.** These are projects not funded in the Capital Plan because additional planning is needed or significant uncertainty around project-specific issues still exists.
- **General Fund.** The largest of the City's funds, the General Fund is a source for discretionary spending and funds many of the basic municipal services such as public safety, health and human services, and public works. Primary revenue sources for the General Fund include local taxes such as property, sales, payroll, and other taxes.
- **General Fund Department.** These departments rely primarily or entirely on the General Fund as a revenue source to provide City services. The General Fund departments included in the Plan are the California Academy of Sciences, Asian Art Museum, Arts Commission, Department of Emergency Management, Department of Public Health, Department of Public Works, Department of Technology, District Attorney's Office, Fine Arts Museum, Fire Department, General Services Agency, Human Services Agency, Juvenile Probation, Police Department, Public Library, Recreation and Parks Department, Sheriff's Department, Superior Court of California, and the War Memorial and Performing Arts Center.
- **Enterprise Department.** Departments that do not require a General Fund subsidy because they generate their own revenues from fees and charges for services. The City has four Enterprise departments: Public Utilities Commission, San Francisco International Airport, Port of San Francisco, and the Municipal Transportation Agency.
- **External Agency.** These departments are separate, autonomous entities and operate outside the jurisdiction of the City and County of San Francisco.

- **Assessed Value.** The dollar value assigned to individual real estate or other property for the purpose of levying taxes. *Net Assessed Value* is the total growth of real estate or other property across the entire City.

